



**Mark O. Marini**  
Director - Regulatory

June 30, 2016

VIA ELECTRONIC FILING

Honorable Kathleen H. Burgess, Secretary  
State of New York  
Department of Public Service  
Three Empire State Plaza  
Albany, NY 12223

Dear Secretary Burgess:

Pursuant to the *Order Authorizing the Clean Energy Fund Framework* (the "CEF Order") issued by the New York State Public Service Commission (the "Commission") on January 21, 2016, New York State Electric & Gas Corporation and Rochester Gas and Electric Corporation (collectively the "Companies") respectfully are providing this submittal regarding New York Power Authority ("NYPA") customers participation in Clean Energy Fund ("CEF") programs offered by the New York State Energy Research and Development Authority ("NYSERDA").

Respectfully submitted,

A handwritten signature in black ink that reads "Mark O. Marini".

Mark O. Marini

**STATE OF NEW YORK  
PUBLIC SERVICE COMMISSION**

Proceeding on Motion of the )  
Commission to Consider a ) Case 14-M-0094  
Clean Energy Fund )

In the Matter of Utility ) Case 15-M-0252  
Energy Efficiency Programs )

**PROPOSAL OF NEW YORK STATE ELECTRIC & GAS CORPORATION AND  
ROCHESTER GAS AND ELECTRIC CORPORATION  
TO ALLOW NEW YORK POWER AUTHORITY CUSTOMERS  
TO PARTICIPATE IN CLEAN ENERGY FUND PROGRAMS**

Pursuant to the *Order Authorizing the Clean Energy Fund Framework* (the “CEF Order”) issued by the New York State Public Service Commission (the “Commission”) on January 21, 2016,<sup>1</sup> New York State Electric & Gas Corporation and Rochester Gas and Electric Corporation (collectively the “Companies”) respectfully are providing this submittal regarding New York Power Authority (“NYPA”) customers participation in Clean Energy Fund (“CEF”) programs offered by the New York State Energy Research and Development Authority (“NYSERDA”). The Companies support the Joint Utilities proposal with modification to the determining eligibility for clean energy incentives.

The Companies appreciate the opportunity to expand customer access to key clean energy programs. NYPA customers play a critical role in New York State’s economic development, supporting jobs upstate, and have been ineligible to participate in the State’s clean energy programs because they have been excluded from contributing to the funding of these programs.

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<sup>1</sup> Case 14-M-0094, *Proceeding on Motion of the Commission to Consider a Clean Energy Fund* (“CEF Proceeding”), *Order Authorizing the Clean Energy Fund Framework* (issued and effective January 21, 2016) (“CEF Order”).

NYPA customers should have an opportunity to participate in clean energy programs offered by NYSERDA and the Companies.

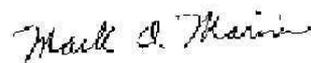
The Companies believe that ReCharge New York, Replacement Power, Expansion Power, and Preservation Power, should be required to demonstrate that they have paid a contribution towards the CEF to be eligible to receive incentives under CEF and ETIP programs without any additional specific opt-in criteria. If a NYPA customer has not paid into the CEF, they would opt-in to pay the surcharge, similar to all other non-NYPA customers. Requiring a contribution would also allay concerns regarding cross subsidization by other customers who contribute to the CEF.

The CEF Order echoes this concern, highlighting an example whereby “NYPA opt-in customers would ... be receiving substantially more in benefits as compared to surcharges paid than other ratepayers.”<sup>2</sup> The Companies also propose that NYPA customers be allowed a one-time election to opt in to the programs, with no ability to opt out at a future date.

The proposal as modified would enable NYPA customer to opt-in to participate in clean energy programs and benefit all customers by contributing to energy reductions in New York.

The Companies look forward to continuing to work with the other utilities and Staff to implement the proposal that will enable all NYPA customers to participate in these programs.

Respectfully submitted,



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Director Regulatory  
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<sup>2</sup> CEF Order, p. 63.