

Proposed Method and Timing Details for Clean Energy Fund Bill-As-You-Go Approach, as per ordering clause 8 of the 1/21/16 Clean Energy Fund (“CEF”) Order (“the Order”) issued by the New York State Public Service Commission (“PSC”).

- Utilities were directed by the Order to hold all collections for previously authorized NYSERDA programs in their accounts to satisfy future bills from NYSERDA under the Bill-As-You-Go approach, rather than making any future transfers contemplated by current funding agreements (including RPS transfers due 1/30/16 and EEPS/SBC due 3/31/16).
- NYSERDA will provide each utility and the New York State Department of Public Service (“DPS”) Staff with a monthly Clean Energy Fund Bill-As-You-Go Reimbursement Request (“Reimbursement Request”). The Reimbursement Request will include:
 - a summary of the NYSERDA electric-funded and gas-funded cash balances for future CEF Expenditures¹ at the beginning of the preceding month, the net CEF cash expenditures for the preceding month, and the electric-funded and gas-funded cash balances at the end of the preceding month;
 - the Electric and Gas Working Capital Amounts;²
 - the amount by which the Electric and Gas Working Capital Amounts exceeded the actual electric/gas cash balances at the end of the preceding month (“Working Capital Amount Shortfall”), if any;
 - the difference between the PSC-approved cumulative Electric and Gas authorizations (assuming annual authorizations are subdivided into equal monthly increments) to date less amounts previously transferred to NYSERDA by utilities (“PSC Approved Collections Less Transfers”);
 - the Electric and Gas Working Capital Reimbursement Amount (the lesser of the Working Capital Amount Shortfall and the PSC Approved Collections Less Transfers);
 - any receivables resulting from billings for the NY Green Bank Credit Facility Pledged Collections (as described further below);
 - Aggregate Electric and Gas amount due or credit, calculated as the CEF Net Cash Expenditures for the preceding month (commencing in the month in which the actual cash balance ends below the previous month’s determined Working Capital Amount) plus any Working Capital Amount Shortfall plus any NY Green Bank Credit Facility Pledged Collections;
 - each utility’s pro-rata share of the Aggregate Electric and Gas amount due or credit, if any (as described further below);

¹ “CEF Expenditures” will include expenditures for the previously authorized programs (SBC/EEPS/RPS) as well as expenditures for Market Development, Innovation and Research, NY-Sun, and NY Green Bank, all to the extent such expenditures are authorized by the PSC.

² For purposes of this document, the Electric and Gas Working Capital Amounts shall mean NYSERDA’s calculation of projected electric and gas cash-based CEF Expenditures for the subsequent two-month period.

- a 60 month projection of expenditures, cash balances, and anticipated Reimbursement Amounts, by month, for both electric and gas.
- The Aggregate amount due or credit for Electric funds shall be allocated to each utility in proportion to the schedule of total approved electric collections (for previously authorized plus incremental CEF collections)(see Attachment 1). The Aggregate amount due or credit for Gas funds shall be allocated to each utility in proportion to the collections included in Appendix I the Order.
- Once NYSERDA implements the NY Green Bank external Credit Facility authorized under the Order, the amounts authorized for collection (from electric utilities only) pursuant to Appendix G of the Order for reimbursement of the NY Green Bank may also include the repayment of amounts drawn under the Credit Facility, which shall not cause the amount authorized for collection pursuant to Appendix G to increase.
- NYSERDA anticipates submitting the Reimbursement Request to each utility no later than the 15th day of each month. NYSERDA assumes the full responsibility for the development of Reimbursement Requests, including the numerical accuracy of calculations performed in order to generate such Reimbursement Requests. The utilities shall not be responsible for the accuracy of Reimbursement Requests that are prepared by NYSERDA. The Reimbursement Requests for the month of March 2016 will be submitted upon execution of the funding agreement with each utility. Each utility shall identify designated contacts to NYSERDA for electronic submittal of the Reimbursement Requests.
- Copies of the Reimbursement Requests shall also be filed monthly, no later than the 15th day of each month, with the DPS Director of the Office of Clean Energy.
- Each utility shall pay NYSERDA via electronic funds transfer within 30 days of receipt of each Reimbursement Request. Once NYSERDA receives the remittance of utility company funding, utilities will have fulfilled all necessary Bill-As-You-Go funding obligations, and shall be in full compliance with the Commission's 1/21/16 CEF Order. NYSERDA assumes the full responsibility to serve as stewards of statewide utility ratepayer funding, ensuring that such utility ratepayer funds received are properly spent on clean energy portfolios and initiatives, in the dollar amounts that have been authorized by the PSC.
- Under the requirements of the Order, NYSERDA and the utilities, in consultation with DPS Staff, will file with the Commission Secretary no later than March 31, 2016 the final Method and Timing Details for the Clean Energy Fund Bill-As-You-Go Approach as agreed to by NYSERDA and the utility companies.
- NYSERDA will enter into a funding agreement with each utility including these terms and conditions, as well as other necessary contractual terms and conditions, which shall be

executed by both parties no later than May 2, 2016, in order to comply with ordering clause 9 of the Order.

- Attachment 2 presents an illustration of a reimbursement request for a month in which Working Capital Reimbursement Amounts are due from each utility.