STATE OF NEW YORK
PUBLIC SERVICE COMMISSION

Proceeding on Motion of the Commission to Implement a Large-Scale Renewable Program and a Clean Energy Standard	Case 15-E-0302

PETITION REGARDING PROPOSED YEAR 2027 CLEAN ENERGY STANDARD FUNDING AND RECONCILIATION OF YEAR 2025 ADMINISTRATIVE COSTS

Introduction

The New York State Energy Research and Development Authority (NYSERDA) files this petition with the New York State Public Service Commission (Commission) seeking Commission approval to utilize certain funds to cover NYSERDA's costs needed to administer the Clean Energy Standard (CES), comprised of the Renewable Energy Standard (RES) that includes the Tier 1, Tier 2, Tier 4, and Offshore Wind Renewable Energy Certificate (OREC) Programs, and the Tier 3/Zero-Emissions Credit Requirement (ZECR) program, for CES compliance year 2027, and to propose an administrative adder for CES compliance years 2027 and 2028 of the Tier 3/ZECR program. This petition also includes a reconciliation of CES compliance year 2025 administrative expenses.

As authorized by the CES, NYSERDA conducts competitive solicitations to further New York's transition to a clean, affordable, and reliable electric grid. These activities have resulted in 91 currently active land-based wind, solar, hydro, and offshore wind awards as well as investments in transmission (through Tier 4) as part of constructing New York's clean energy future. As of June 29, 2026, these large-scale renewable energy projects awarded by NYSERDA under the CES are expected to provide a renewable capacity of over 8,500 megawatts (MW) and annual generation of over 25,500 gigawatt hours (GWh). Of these projects, based on capacity, 86% are under development and 14% are operational.[1] Administration of the CES also includes the Zero Emissions Credit (ZEC) program, which secures up to a maximum of 27,618 GWh of emission-free nuclear energy produced in the state each year. CES projects include the Champlain Hudson Power Express (CHPE) project under Tier 4; the Sunrise Wind and

[1] Open NY. 2026. "Large-scale Renewable Projects Reported by NYSERDA: Beginning 2004." Accessed June 29, 2026. https://data.ny.gov/Energy-Environment/Large-scale-Renewable-Projects-Reported-by-NYSERDA/dprp-55ye

Empire Wind offshore wind generation projects; 3 Tier 2 Maintenance project; and 85 Tier 1 land-based renewable projects. Additional Tier 2 Maintenance projects recently directed by the Commission will appear in future updates to Open NY as the contracts are established. Also not included in this count are awarded projects from RESRFP25-1, which was launched in late September 2025, for which the results are not yet public. Proposers to RESRFP26-1, issued on April 24, 2026, are expected to be notified of initial awards later this year after Step Two Bid Price Proposals were submitted on July 30, 2026.

Background

The Commission designated NYSERDA as the administrator of all CES programs. In addition to establishing the various CES programs, the 2016 CES Order[2] acknowledged that additional measures, including those necessary to administer the CES programs, would be required to fully implement the CES and would be determined during implementation. NYSERDA's CES team has a core responsibility to manage the procurement of and cost recovery for CES resources as cost-effectively, timely, and efficiently as possible. Managing the portfolio of contracted resources involves fostering appropriate market conditions as well as overseeing contract compliance, conducting invoicing and tracking of Renewable Energy Certificates (RECs), and addressing contractual issues as they arise on an ongoing basis. As the central procurement administrator, NYSERDA's CES team works closely with Load Serving Entities (LSEs) on fulfilling compliance obligations and collecting payments for RECs and ZECs sold by NYSERDA to LSEs and conducts REC sales to the voluntary market. As Tier 4's CHPE project entered service in May 2026, the team will also be conducting its initial sales of Tier 4 RECs to the voluntary market. For resources with a NYSERDA contract that are not yet in commercial operation, the CES team's responsibilities include oversight of the projects as they progress through development, addressing issues as they arise (such as federal policy, siting, permitting, and interconnection challenges) and tracking economic and other benefits arising from the projects. The CES team also looks ahead with the goal of procuring resources toward the State's clean energy goals. For resources still to be acquired, the CES team designs and administers competitive solicitations that deliver the best opportunity for New York to acquire CES resources in the most cost-effective, timely, and efficient manner possible. These issues also overlap and require coordination within the CES team: ongoing procurements and new contracts need to be designed to work effectively with the existing contracted portfolio, incorporating lessons learned from administering contracts over a span of years.

[2] PSC. 2016. Case 15-E-0302, *Proceeding on Motion of the Commission to Implement a Large-Scale Renewable Program and a Clean Energy Standard, Order Adopting a Clean Energy Standard* ("2016 CES Order") (August 1).

The Climate Leadership and Community Protection Act (Climate Act),[3] which was signed into law in July of 2019, extended and enhanced many of New York's clean energy initiatives and set targets for renewable energy and emissions-free energy consumption in the state.

On June 18, 2020, to implement the Climate Act, DPS Staff and NYSERDA jointly filed the white paper on Clean Energy Standard Procurements to Implement New York's Climate Leadership and Community Protection Act.[4] On October 15, 2020, the Commission issued its Order Adopting Modifications to the Clean Energy Standard (2020 CES Order).[5] In the 2020 CES Order, the Commission adopted several modifications to the CES to align it with the Climate Act and directed NYSERDA to file one comprehensive annual funding request for all CES programs for years 2022 and beyond.

The 2020 CES Order also adopted two new programs – Competitive Tier 2 and Tier 4. The Competitive Tier 2 program supported "baseline resources," which are renewable resources that commenced operation prior to January 2015. NYSERDA issued the first and second Competitive Tier 2 Request for Proposals in 2021 and a third and final solicitation in 2022.[6] NYSERDA issued a Tier 4 Request for Proposals on January 13, 2021. The Tier 4 solicitation generated robust competition and ultimately resulted in the CHPE project which entered commercial operation in May 2026.

On November 20, 2020, the Commission issued its Order Authorizing Voluntary Modification of Certain Tier 1 Agreements.[7] In response to this order, NYSERDA issued Request for Interest (RFI) RESVCO2021, "Voluntary Conversion of Eligible New York Renewable Portfolio Standard (RPS) or Renewable Energy Standard (RES) Agreements." Through this mechanism, eligible counterparties were able to participate in a conversion process to voluntarily modify their existing Tier 1 REC agreements from a fixed as-bid REC price (Fixed REC) to a variable-priced Index REC pricing structure.

[3] New York State. N.d. "Climate Act." https://climate.ny.gov/

[4] NYSERDA and DPS. 2020. Case 15-E-0302, *Proceeding on Motion of the Commission to Implement a Large-Scale Renewable Program and a Clean Energy Standard, White Paper on Clean Energy Procurements to Implement New York's Climate Leadership and Community Protection Act* (June 18).

[5] PSC. 2020. Case 15-E-0302, *Proceeding on Motion of the Commission to Implement a Large-Scale Renewable Program and a Clean Energy Standard, Order Adopting Modifications to the Clean Energy Standard* ("2020 CES Order") (October 15).

[6] NYSERDA. N.d. "Clean Energy Standard: Competitive Tier 2 Program." Available at, https://www.nyserda.ny.gov/All-Programs/Programs/Clean-Energy-Standard/Renewable-Generators-and-Developers/Tier-Two-Competitive-Program.

[7] PSC. 2020. Case 15-E-0302, *Proceeding on Motion of the Commission to Implement a Large-Scale Renewable Program and a Clean Energy Standard, Order Authorizing Voluntary Modification of Certain Tier 1 Agreements* (November 20).

On April 20, 2023, the Commission modified the CES by transitioning the CES Tier 1 compliance obligation for LSEs from the predetermined percentage-based obligation to a load share obligation, similar to other existing LSE obligations under the CES. Under the load share obligation, which took effect in the 2025 Compliance Year, LSEs are obligated to procure all Tier 1 RECs made available by NYSERDA, after the completion of sales to the voluntary market, in a proportion equivalent to their share of State load. The Phase 5 Implementation Plan filed by NYSERDA on August 30, 2023, details this approach.[8]

On May 10, 2023, the Federal Energy Regulatory Commission (FERC) approved the New York Independent System Operator, Inc. (NYISO) Capacity Accreditation Rules, which took effect in May 2024 and are designed to better reflect the capacity value of generation and storage resources based on their contribution to resource adequacy. In response, NYSERDA filed a petition on June 29, 2023, seeking to revise the way in which future REC and OREC agreements that utilize an Index REC and Index OREC pricing mechanism calculate the Reference Capacity Price. On November 20, 2023, the Commission issued its Order Addressing Capacity Accreditation Rules, removing the obligation that resources include a set production factor in their bids to ensure that future CES solicitations can accommodate the new NYISO Capacity Accreditation Rules.[9]

On June 7, 2023, the Alliance for Clean Energy New York, Sunrise Wind, and Empire Offshore Wind/Beacon Wind filed separate petitions collectively asking the Commission to authorize NYSERDA to amend existing contracts for 86 land-based large-scale renewable projects and 4 offshore wind projects outside of the competitive process. The petitions argued that the projects had been exposed to unprecedented global and regional supply chain bottlenecks, high inflation, and increases in the cost of capital, driven by rising interest rates. In addition, the petitions identified impacts associated with the war in Ukraine, including increased global demand for renewable energy and resulting shortages and price increases for key components and equipment. NYSERDA filed comments with the Commission on August 8, 2023, concluding that there were unforeseen inflation and related supply chain challenges impacting New York State's large-scale renewables portfolio.

[8] NYSERDA. 2023. Case 15-E-0302, *Proceeding on Motion of the Commission to Implement a Large-Scale Renewable Program and a Clean Energy Standard, Phase 5 Implementation Plan* (August 30).
[9] PSC. 2023. Case 15-E-0302, *Proceeding on Motion of the Commission to Implement a Large-Scale Renewable Program and Clean Energy Standard;* Case 18-E-0071*, In the Matter of Offshore Wind Energy, Order Addressing Capacity Accreditation Rules* (November 20).

On October 12, 2023, the Commission rejected the petitions requesting inflation adjustments.[10] Later that month, Governor Hochul announced New York State's "10-Point Renewable Energy Action Plan to Expand a Thriving Large-Scale Renewable Industry" (Action Plan).[11] The Action Plan committed NYSERDA to launch accelerated competitive procurements to backfill projects that terminate their agreements with NYSERDA. In December of 2023, 52 awarded projects terminated their contracts with NYSERDA.

NYSERDA released the seventh and expedited Tier 1 solicitation (RESRFP23-1) under the CES on November 30, 2023, which garnered a significant level of competitive interest from the private market. In April 2024, 24 provisional awards were made resulting in 2.4 gigawatts (GW) of mature, late-stage projects.

On November 30, 2023, NYSERDA issued its fourth offshore wind solicitation (ORECRFP23-1) on an accelerated timeline, with proposals due January 25, 2024. Following the release of the solicitation, mutual termination agreements were reached between NYSERDA and the Empire Wind 2 and Beacon Wind 1 projects, which were selected under NYSERDA's second offshore wind solicitation (ORECRFP20-1). The two projects selected in the first offshore wind solicitation (ORECRFP18-1), Empire Wind 1 and Sunrise Wind, both re-bid their projects into ORECRFP23-1, along with a new project, Community Offshore Wind 2. On February 29, 2024, Governor Hochul announced the conditional award of two offshore wind projects from ORECRFP23-1—a planned 810-MW project, Empire Wind, and Sunrise Wind, a planned 924-MW project. Both contracts were executed in May 2024.

On June 20, 2024, NYSERDA issued the eighth annual RES request for proposals, RESRFP24-1. The solicitation resulted in contracts for 26 large-scale land-based renewable energy projects that, upon completion, will provide more than 2.5 GW of clean energy, enough to power more than 670,000 homes

[10] PSC. 2023. Case 15-E-0302, *Proceeding on Motion of the Commission to Implement a Large-Scale Renewable Program and Clean Energy Standard;* Case 18-E-0071*, In the Matter of Offshore Wind Energy, Order Denying Petitions Seeking to Amend Contracts with Renewable Energy Projects* (October 12).
[11] NYSERDA. 2023. "New 10-Point Renewable Energy Action Plan Announced to Expand the Renewable Energy Industry and Support High-Quality Jobs Clean Jobs in New York State."
https://www.nyserda.ny.gov/About/Newsroom/2023-Announcements/2023-10-12-Governor-Hochul-Announces-New-10-Point-Action-Plan-to-Expand

throughout New York State.[12] Information on these projects and other NYSERDA-funded large-scale renewable projects can be found on the Open NY website.[13]

On July 1, 2024, DPS Staff and NYSERDA jointly filed the draft CES Biennial Review in Case 15-E-0302, garnering significant public comment and feedback.[14] On May 15, 2025, the Commission issued its Order Adopting the CES Biennial Review as Final and Making Other Findings (2025 Biennial Review Order).[15]

On July 17, 2024, NYSERDA launched New York's fifth competitive offshore wind solicitation (ORECRFP24-1). As part of this solicitation, NYSERDA included key provisions from the latest rounds of renewable energy procurements, such as inflation indexing, Disadvantaged Community commitments, and related priorities to maintain the policy objectives introduced in prior solicitations intended to ensure an equitable energy transition for all New Yorkers. On February 13, 2026, NYSERDA concluded ORECRFP24-1 without award due to federal actions disrupting the offshore wind market and instilling significant uncertainty into offshore wind project development. Earlier that same week, on February 10, NYSERDA launched a Request for Information, OSWRFI26-1, to gather information from the industry to help address these challenges in a thoughtful and timely manner.

NYSERDA's ninth annual RES request for proposals, RESRFP25-1, was issued on September 26, 2025. The RESRFP25-1 solicitation garnered competitive interest; NYSERDA received bid proposals from 19 projects, comprising 1.4 GW of capacity and 2.8 terawatt hours (TWh) of generation. The evaluation of Bid Proposals concluded in February 2026. NYSERDA will publicly disclose the results of the solicitation upon the completion of contracting. In parallel with RESRFP25-1, Governor Hochul directed state agencies to work together to responsibly advance shovel-ready renewable energy projects as quickly as possible recognizing the near-term need for power to meet increasing electricity demand as well as economic development needs and the importance of adapting to shifting federal policies.[16]

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[12] NYSERDA. 2025. "Contracts Executed for 26 Large-Scale Land-Based Renewable Energy Projects." https://www.nyserda.ny.gov/About/Newsroom/2025-Announcements/2025-05-21-Governor-Hochul-Announces-Executed-Contracts-For-26-Land-Based-Projects

[13] Open NY. 2026. "Large-scale Renewable Projects Reported by NYSERDA: Beginning 2004."

[14] NYSERDA and DPS. 2024. Case 15-E-0302, *Proceeding on Motion of the Commission to Implement a Large-Scale Renewable Program and a Clean Energy Standard, Draft Clean Energy Standard Biennial Review, With Corrections* (July 8).

[15] PSC. 2025. Case 15-E-0302, *Proceeding on Motion of the Commission to Implement a Large-Scale Renewable Program and a Clean Energy Standard, Order Adopting CES Biennial Review as Final and Making Other Findings* ("2025 Biennial Review Order") (May 15).

[16] NYSERDA. 2025. "Directive and New Solicitation Announced to Accelerate Renewable Energy Project." Development and Construction

In January 2026, the Commission issued the Order Extending Zero-Emissions Credit Program,[17] approving the 2025 ZEC extension proposal, with modifications, and extending the program through December 31, 2049. NYSERDA and DPS Staff subsequently filed the proposed ZEC 2.0 Implementation Plan for Commission and public consideration on March 16, 2026.[18] The Commission approved the Implementation Plan, with modifications, on June 12, 2026[19] and NYSERDA and DPS Staff subsequently filed the final ZEC 2.0 Implementation Plan on July 14, 2026.

On February 2, 2026, the Commission approved NYSERDA's proposed Offshore Wind Implementation Plan, providing several avenues for the sale of ORECs, including the long-term contracting of ORECs and the Pre-Sale (ahead of the compliance year) and Re-Sale (at the end of the compliance year) of ORECs to interested parties, sales which would reduce the obligation upon LSEs and utilities and thereby reduce ratepayer costs.[20] NYSERDA subsequently filed the final OSW Implementation Plan on July 7, 2026.

In approving NYSERDA's petition for 2026 CES administrative funding[21], the Commission created a requirement that no hiring for CES-funded positions could be made without additional Commission approval, including for backfilling positions should they become vacant.[22] Commensurately, on April 3, 2026, NYSERDA filed a petition seeking approval to backfill positions for the remainder of 2026.[23]

NYSERDA issued RESRFP26-1, the tenth annual RES request for proposals, on April 24, 2026, to advance clean energy deployments while prioritizing reliability, affordability, and a healthier future for

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[17] PSC. 2026. Case 15-E-0302, *Proceeding on Motion of the Commission to Implement a Large-Scale Renewable Program and Clean Energy Standard*, *Order Extending Zero-Emissions Credit Program* (January 22).
[18] NYSERDA and DPS. 2026. Case 15-E-0302, *Proceeding on Motion of the Commission to Implement a Large-Scale Renewable Program and Clean Energy Standard, Zero-Emissions Credit (ZEC) 2.0 Implementation Plan and Load Serving Entity Master Agreement Proposal* (March 16).
[19] PSC. 2026. Case 15-E-0302, *Proceeding on Motion of the Commission to Implement a Large-Scale Renewable Program and Clean Energy Standard, Order Approving Zero-Emissions Credit 2.0 Implementation Plan and Making Other Findings* (June 12).
[20] PSC. 2026. Case 15-E-0302, *Proceeding on Motion of the Commission to Implement a Large-Scale Renewable Program and Clean Energy Standard;* Case 18-E-0071*, In the Matter of Offshore Wind Energy, Order Approving Offshore Wind Implementation Plan* (February 13).
[21] NYSERDA. 2025. Case 15-E-0302, *Proceeding on Motion of the Commission to Implement a Large-Scale Renewable Program and Clean Energy Standard, Petition Regarding Proposed Year 2026 Clean Energy Standard Administrative Funding and Reconciliation of Year 2024 Administrative Costs* (July 31).
[22] PSC. 2025. Case 15-E-0302, *Proceeding on Motion of the Commission to Implement a Large-Scale Renewable Program and Clean Energy Standard, Order Approving Order Approving Administrative Funding* (December 19).
[23] NYSERDA. 2026. Case 15-E-0302, *Proceeding on Motion of the Commission to Implement a Large-Scale Renewable Program and Clean Energy Standard, Petition for Approval to Backfill Clean Energy Standard Funded Staff Positions* (April 3).

New Yorkers. Through the 2026 solicitation, NYSERDA seeks to procure renewable energy certificates from eligible mature projects, such as land-based wind, hydroelectric and solar energy projects, with a focus on qualifying projects for which expiring federal tax credits will be accessed.

In May 2026, the CHPE project, a 1,250 MW, 339-mile underground and underwater transmission line, entered service. The project is one of New York's largest transmission infrastructure investments in the last 50 years and is now able to deliver clean hydropower from Quebec and supply more than 10 million MWh of renewable energy annually to NYISO Zone J – which, at its peak, is nearly 20% of New York City's annual electric consumption.

On July 1, 2026, DPS Staff and NYSERDA jointly filed the draft 2026 CES Biennial Review[24] as well as the Index REC Settlement Structure Whitepaper,[25] both in Case 15-E-0302.

2027 Administration Proposal

The CES developed in stages, as described in the background section of this petition. For this reason, many documents, including the enabling Orders of the Commission, address the current components of the CES as individual programs:

- Tier 1 – Aims to increase new renewable energy development in New York State. Eligible Tier 1 resources include generators of electricity that use the following technologies: solar thermal, solar photovoltaics (PV), land-based and offshore wind, hydroelectric, geothermal electric, geothermal ground source heat, tidal energy, wave energy, ocean thermal, and fuel cells which do not utilize a fossil fuel resource in the process of generating electricity, that entered commercial operation on or after January 1, 2015.
- Tier 2 Competitive – Aimed to maximize the contributions and potential of New York's existing renewable resources to ensure their continued operations. Eligible Competitive Tier 2 generators included existing non-state-owned run-of-river hydropower and existing wind resources located

[24] NYSERDA and DPS. 2026. Case 15-E-0302, *Proceeding on Motion of the Commission to Implement a Large-Scale Renewable Program and a Clean Energy Standard, Draft 2026 Clean Energy Standard Biennial Review, (July 1)*.
[25] NYSERDA and DPS. 2026. Case 15-E-0302, *Proceeding on Motion of the Commission to Implement a Large-Scale Renewable Program and a Clean Energy Standard, Whitepaper on Optimizing the Index REC Settlement Structure, (July 1)*.

within the State that entered commercial operation prior to January 1, 2015. Authorization for the previous Tier 2 Competitive program has expired and there is no program currently in operation.

- Tier 2 Maintenance – Aims to provide targeted, adequate, and prudent support to New York's existing renewable resources to ensure their continued operations. Eligible Tier 2 Maintenance generators include run-of-river hydroelectric facilities (10 MW or less) and wind resources that entered commercial operation prior to January 1, 2003.
- Tier 3/ZECR – Aims to place a value on New York's upstate nuclear plants which avoid the emission of over 15 million tons of carbon dioxide per year. New York State's LSEs must purchase ZECs from NYSERDA every year. This annual obligation is based on an LSE's proportional amount of statewide load in each compliance year.
- Tier 4 – Aims to increase the delivery of renewable energy to New York City, addressing the city's heavy reliance on fossil fuels, via new transmission infrastructure. The CHPE project, a 1,250 MW, 339-mile fully buried underground and underwater transmission line, entered service in May 2026.
- Offshore Wind – Aims to increase the direct delivery of renewable energy to New York City and Long Island by advancing the responsible and cost-effective development of offshore wind energy, to additionally include investments in transmission infrastructure, ports, manufacturing and supply chains, and workforce training to support the growing offshore wind industry.

Administrative Funding

The administrative funding requested in this petition will be used to support CES program development and operation in CES compliance year 2027, supporting the growth and maintenance of clean energy supply. These funds are separate and distinct from awards made to clean energy projects under the various CES programs. NYSERDA's administrative budget funding requested in this petition is divided into four categories:

1. **Salaries and Overhead –** salaries and overhead expenses for NYSERDA's employees working on current or in-development CES programs.
2. **Technical and Implementation Support –** the complex issues addressed by the CES programs often require specialized consultant support, the purchase of proprietary data sets (for example,

forecasts of future energy and capacity prices) and conducting stakeholder outreach and community engagement events.

3. **System Development** – the costs associated with developing and maintaining the business systems needed to operate CES programs including the New York Generation Attribute Tracking System (NYGATS) and NYSERDA's Salesforce platforms dedicated to CES activities.
4. **New York State Cost Recovery Fee (CRF)** – a fee assessed to NYSERDA and other public authorities by New York State for an allocable share of State governmental costs attributable to the provision of services to public benefit corporations pursuant to Section 2975 of the Public Authorities Law.

Over the past several years, the administration of the CES has continued to increase in complexity as the pipeline evolves and market dynamics shift due in part to the combined effects of inflation, supply chain constraints, and dynamic federal policy, particularly regarding federal tariffs, permitting, and tax credits. These evolving issues have created considerable uncertainty for developers of all energy technologies and have especially impacted those of onshore wind, solar, and offshore wind projects. Changes to the federal tax credits are more restrictive for renewable energy technologies than previous policies, while action at the federal level, including stop work orders for offshore wind projects and restrictive permitting policies for utility-scale renewable projects, have increased project development uncertainty and costs. In addition, consequences from the 2026 Iran War, including disruptions to international trade, and evolving U.S. trade policy have contributed to sustained supply chain challenges.

These substantial policy and financial headwinds have resulted in a continued volatile market for land-based wind, solar, and offshore wind energy projects that require administration of the CES to be nimble and flexible, with the ability to respond to market changes as they occur. At the same time, consumer affordability and a commitment to minimizing ratepayer costs remain a core focus of NYSERDA's CES administrative priorities. To this end, the administrative funding proposal put forth in this petition is based on a thorough evaluation of what workstreams and initiatives must continue in the coming year to support operation of the CES while making appropriate adjustments to initiatives and workstreams, and thus corresponding expenditures, to reduce costs where possible without disruption to services or market enablement. The initiatives and workstreams discussed in this petition, including conducting competitive solicitations, overseeing sales to the voluntary market, and ensuring delivery of economic benefits, are developed and prioritized to deliver the CES programs that meet the State's clean energy goals in the most cost-effective and efficient manner possible. This proposal reflects the dual objectives of enabling

NYSERDA to quickly respond to market conditions and unforeseen developments while continuing to advance the CES portfolio in a fiscally responsible manner.

Salaries and Overhead

Administration of the CES continues to be a complex and substantial workload. This petition for 2027 CES administrative funding represents a 2.95 FTE reduction below the Salaries and Overhead budget approved by the Commission in the 2026 Order Approving Administrative Funding.[26] Furthermore, this is a 6.95 FTE reduction compared to the Commission-approved 2025 staffing level. NYSERDA has analyzed current major workstreams across the CES and will be able to fulfill its current responsibilities as CES Administrator with a direct labor staffing level of 40.3 FTE, which represents a nearly 15% reduction below the staffing levels in the Commission-approved 2025 CES administrative budget. Further reductions beyond this level will impact CES administration.

The Staffing level proposed here contains no net new FTEs. It does include the migration of 0.7 FTE allocated to existing staff that had been charged to the Renewable Portfolio Standard (RPS) prior to 2027. The last RPS contracts have concluded and with that, RPS funding associated with staffing is no longer warranted. Because the 0.7 FTE is associated with several existing staff who already work primarily on the CES, this partial FTE was migrated into the CES. The net 2.95 FTE reduction compared to 2026 includes this migration.

NYSERDA requests the Commission approve the Salaries and Overhead budget associated with this staffing level, as detailed in Table 1 and Table 2 of this petition. Furthermore, NYSERDA requests the Commission not place additional restrictions upon backfilling positions should they become vacant during 2027 given the reductions made to date and the existing rigorous internal backfill evaluation process utilized by NYSERDA as detailed in the 2026 Backfill petition.[27] This disciplined vacancy management process is applied to all positions in the Authority, including CES-funded position vacancies. Every vacancy is evaluated through a structured review of mission impact, duration of the

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[26] PSC. 2025. Case 15-E-0302, *Proceeding on Motion of the Commission to Implement a Large-Scale Renewable Program and a Clean Energy Standard, Order Approving Administrative Funding* (December 19) (“Approval Order”). As detailed in NYSERDA’s Backfill Petition, following the Approval Order, staffing changes reduced NYSERDA’s total FTE allocated to the CES, with 2 FTEs becoming vacant through staff departures, 1 FTE becoming vacant from a previously vacant position no longer being filled, and another 0.65 FTE reduced via reassignment to new roles within NYSERDA outside of the CES.

[27] NYSERDA. 2025. Case 15-E-0302, *Proceeding on Motion of the Commission to Implement a Large-Scale Renewable Program and Clean Energy Standard, Petition for Approval to Backfill Clean Energy Standard Funded Staff Positions* (April 3).

need, current workload, required capabilities, and internal capacity to absorb or redesign the work, ensuring staffing decisions reflect fiscal responsibility and program priorities. NYSERDA's vacancy review process includes:

1. Formal Team and Business Unit evaluation of need
2. Human Resources review and evaluation of need, including proposed scope, level, and cross-NYSERDA resource availability
3. Finance review to verify financial capacity
4. Officer review and approval or denial after the preceding three steps

Fiscal responsibility is paramount to this process while also ensuring sufficient staffing to carry out the critical work of the CES in providing safe, reliable, and clean sources of energy for New York State.

With the staffing reduction that has already been executed, delays in backfilling required positions as determined by NYSERDA management will result in disruption to services. Many positions require specialized skills and experience. For example, the Deputy General Counsel leading legal work across the CES left NYSERDA in April 2026 and this position cannot be backfilled unless and until Commission approval is received. This position cannot simply be absorbed by an existing team member without significant legal qualifications and experience. Other CES-funded positions require similar levels of expertise and experience.

It is also important to emphasize the fast-paced and time-sensitive nature of NYSERDA's CES administration work, which makes it critical to fill vacancies quickly. NYSERDA's REC and OREC contracts are settled monthly; NYGATS operates 24 hours a day; Tier 1 solicitations are scheduled annually and recently have been conducted at a pace to adjust to a rapidly evolving renewable energy market, with generating facilities facing deadlines to enter construction imposed by federal statute to receive federal tax credits. In this environment, waiting to submit a petition to the Commission for any particular vacancy as it arises would risk severely disrupting CES administration if and when a position needs to be filled.

Appendix B contains a list of all FTE positions directly funded through the CES administrative budget. As noted, CES administrative funding is requested solely for salaries and overhead expenses related to FTE working on current or in-development CES programs and activities.

Table 1. Proposed CES Year 2027 Full Time Equivalent Positions by Fund						
Fund	***Tier 1***	***Tier 2***	***Tier 3/ZECR***	***Tier 4***	***OREC***	***FTE Total***
2026 FTE Approval Order	23.48	0.25	2.09	3.99	13.44	**43.25**
Proposed 2027 FTE	23.53	0.25	1.99	3.49	11.04	**40.30**
Change (#)	0.05	--	(0.1)	(0.5)	(2.4)	**(2.95)**

System Development

System Development includes annual costs of the administration, operation, and maintenance of NYGATS and anticipated revisions to NYGATS and other business systems, such as Salesforce, to implement and manage the suite of CES programs and the related LSE compliance activities. System development and support is needed across all CES program areas. As new requirements are added to CES programs, NYGATS, as well as NYSERDA's internal business systems, must be enhanced to provide the needed functionality. For 2027, the primary driver of system development costs are the regular costs associated with operation and maintenance of NYGATS and Salesforce. Because much of the work to prepare for Tier 4 and OREC contract settlement was done prior to 2027, the proposed System Development budget is a nearly 30% reduction compared to 2026.

NYGATS is an electronic tracking system for attributes associated with all electricity generated, imported, exported, and consumed in New York State since 2016. The tracking and verification provided by NYGATS facilitates and brings credibility and liquidity to the environmental commodities markets and enables market transactions. NYGATS also supports New York's various legislation and programs related to the tracking of generation attributes, such as the Environmental Disclosure Program (EDP), as well as current and future programs to support CES and Climate Act targets.[28]

System development costs also include Salesforce license and development costs. Salesforce is the primary business system utilized for CES program operations including during the solicitation process, progress report intake, milestone and deliverable tracking, invoicing and settlements, processing and tracking of contract security, and managing all CES data including a large part of Open NY reporting.

[28] PSC. 2023. Case 15-E-0302, *Proceeding on Motion of the Commission to Implement a Large-Scale Renewable Program and a Clean Energy Standard, Order Modifying Clean Energy Standard Tier 1 Obligation* (April 20).

Technical and Implementation Support

The Technical and Implementation Support administrative budget items include costs associated with ongoing program consultant support and implementation for the CES programs, development and issuance of procurements, technical and policy analysis, and technical evaluation panels for NYSERDA procurements. These workstreams are developed and prioritized to deliver the CES programs and meet the State's clean energy goals in the most cost-effective and efficient manner possible. The indicative scopes of work included below are based upon current knowledge and may be subject to re-allocation based on future legal, regulatory, market, and programmatic changes.

- Tier 1: There are currently 85 active Tier 1 contracts in NYSERDA's portfolio as shown in Open NY,[29] reflecting both Operational and Under Development projects. Additionally, the awardees of the RESRFP25-1 solicitation are in the contracting process and will add to this total and appear in Open NY once fully contracted.

  Conducting competitive and informed solicitations is a major Tier 1 workstream. Solicitations are conducted in two steps, as described in the relevant RES solicitation documents,[30] and involve complex financial and electrical grid analysis performed both in-house and by experts under contract to NYSERDA. RES solicitations are also supported by internal and external subject matter expert technical reviewers to assist in assessing bid materials and likely project impacts to the New York State electrical grid, agricultural lands, wetlands, and other key areas of evaluation. In response to evolving federal policies, solicitations have been adapted to focus on advancing mature large-scale renewable energy projects ready to begin construction for which expiring federal tax credits will be accessed, reducing costs and maximizing benefits for ratepayers. The team remains agile to adjust solicitations as appropriate in response to ongoing market dynamics and new Commission directives.

  Once awarded, NYSERDA must responsibly administer each contract. Proper contract administration is critical to the success of NYSERDA's RES awards, serving as the foundational framework that translates ambitious clean energy goals into verifiable, operational realities. Because RES awards involve long-term financial commitments, community economic benefits,

[29] Open NY. 2026. "Large-scale Renewable Projects Reported by NYSERDA: Beginning 2004." Accessed June 29, 2026. https://data.ny.gov/Energy-Environment/Large-scale-Renewable-Projects-Reported-by-NYSERDA/dprp-55ye
[30] NYSERDA. N.d. "Solicitations for Large-Scale Renewables." https://www.nyserda.ny.gov/All-Programs/Large-Scale-Renewables/RES-Tier-One-Eligibility/Solicitations-for-Long-term-Contracts

and complex regulatory compliance, rigorous oversight ensures accountability and protects ratepayer investments. Effective administration ensures that project developers adhere to rigorous milestone schedules, technical specifications, and labor standards, such as prevailing wage and apprenticeship requirements. To maximize ratepayer savings via federal tax credits, NYSERDA's Tier 1 program actively collaborates with the NYISO, utilities, and other State agencies to address project development bottlenecks. This inter-agency coordination grows increasingly urgent as federal tax incentive deadlines approach. Backed by the CES's long-term and predictable framework, NYSERDA's Tier 1 program has driven substantial and responsible utility-scale wind and solar construction across New York. In FY 2027, the program will prioritize guiding contracted assets into active construction to secure time-sensitive federal tax credits. Core program priorities include rigorous contract administration, Tier 1 REC tracking, and proactive portfolio risk mitigation to protect ratepayer interests while securing new reliable and affordable generation for New York. Responsibilities also include monitoring the economic benefits generated by New York's portfolio of renewable generators, community engagement, and coordinating and supporting New York's local clean energy workforce.

Supporting local communities and creating opportunities to learn about and discuss New York's clean energy landscape are an important part of the CES. NYSERDA's offerings of technical assistance and implementation support for communities provides local governments and the public with resources for responsibly siting renewables. NYSERDA offers one-on-one support, in-person and virtual workshops and trainings along with written guidebooks and templates. Funding requested here will support these community engagement activities.

The scale of new renewable generation being added to the grid is significant and, as part of evolving the New York State electric grid to support future energy needs, this generation creates opportunities to update and modernize the electric grid. Requested Technical and Implementation Support budget includes funding for NYSERDA's Transmission Center of Excellence (TCOE), initiatives that include coordination with DPS Staff work on transmission planning and any follow up studies and/or technical conferences relating to DPS Staff's Clean Energy Zone proposal, workstreams related to Case 20-E-0197, and direct participation in and support for the Coordinated Grid Planning Process (CGPP). Requested support for the TCOE is sought to ensure that grid reliability and consumer affordability continue to be appropriately integrated in future CES planning and procurement processes to maximize grid reliability and ratepayer benefits.

NYSERDA began selling Tier 1 RECs to the voluntary market for the 2025 compliance year as authorized in the approval of the Tier 1 Phase 5 Implementation Plan and has conducted two Tier 1 REC Voluntary Sales to date.[31,32] These sales to the voluntary market both support New York's use of renewable energy and reduce ratepayer costs under the Tier 1 obligation and have resulted in $1.47 million and $1.32 million ratepayer cost reductions, respectively. NYSERDA staff works directly with the market to ensure potential buyers are aware of the opportunity to purchase Tier 1 RECs from NYSERDA as well as conducting the sales and fulfilling the purchases. Costs associated with these activities are included in the requested budget.

New York remains committed to responsible energy development including rigorous, data-driven research of our terrestrial and aquatic ecosystems. The proposed budget includes funding for timely research and data processing to identify and capture impacts, benefits, best practices and lessons learned from terrestrial and offshore energy development and to evaluate the current and future use of construction mitigation practices. Transforming scientific research and data into widespread transparent findings ensures that both the public and key decision-makers are fully equipped with accurate information to guide the responsible future development of clean energy resources. Funding for this type of research was previously included in the Clean Energy Fund (CEF) and is now being included in the CES to better reflect the direct focus on CES-specific energy sources.

The request for an increase in Technical and Implementation Support budget reflects the program's need to be able to respond to the evolving market, particularly given evolving federal tax and permitting policies, the program's administration of annual RES solicitations, including adherence to legislative priorities, and the program's continued prioritization of affordability. Activities across the Tier 1 portfolio have been adjusted accordingly to accommodate this budget request while also migrating funding for environmental research from the CEF to the CES.

- Tier 2: The administrative funding request for Tier 2 reflects the limited scope of currently authorized programs. NYSERDA continues to administer Tier 2 Maintenance contracts as

[31] NYSERDA. 2023. Case 15-E-0302, *Proceeding on Motion of the Commission to Implement a Large-Scale Renewable Program and a Clean Energy Standard, Phase 5 Implementation Plan* (August 30).
[32] NYSERSA. N.d. "Voluntary Sales - Vintage 2025." https://www.nyserda.ny.gov/All-Programs/Clean-Energy-Standard/Voluntary-REC-Sales/Tier-1-REC-Voluntary-Sale/2025-Voluntary-Sales

directed by the Commission and therefore has ongoing salary expenses, but no Technical and Implementation Support or System Development budget is requested in this petition.

- Tier 3/ZECR: The administrative funding request for the ZEC program reflects the limited scope of the currently authorized program. NYSERDA continues to oversee the ZEC program and prepare for the continued administration of the extended program (ZEC2.0), as directed by the Commission, including voluntary ZEC market sales, and therefore has ongoing salary expenses as well as limited Technical and Implementation Support and System Development budget requested in this petition.

- The Tier 4 Technical and Implementation Support budget requested for 2027 is focused on annual, seasonal and rolling contractual compliance activities required as part of the Renewable Energy Certificate Purchase and Sale Agreement (Tier 4 Agreement) between NYSERDA and H.Q. Energy Services (U.S.) Inc. (the Seller), which recently reached commercial operation in May 2026. In 2026, NYSERDA designed and implemented phase I, an automated system to perform the hourly energy verification for contract settlement. In 2027, NYSERDA's efforts will primarily focus on phase II, those Tier 4 Agreement terms that require the Seller to submit information necessary to calculate annual, seasonal and rolling metrics. Tier 4 phase II will support the design and implementation of processes and systems necessary to ensure the Seller's filings align with program requirements.

  The proposed budget includes funding for specific and unique subject matter expertise to support NYSERDA's administration of Demand Side Management savings, the Minimum Delivery Requirement, assessing the Supplier Greenhouse Gas Baseline, eligibility of Qualified Renewable Energy Resources, and review of other data that may be necessary to calculate the annual, seasonal and rolling components of the Tier 4 Agreement. Funding also supports assessment of Disadvantaged Communities benefits reporting.

  In addition, technical support funding is requested for continued monitoring and engagement on New York City's Local Law 97 and its impact on the Tier 4 program including potential ratepayer savings through Tier 4 REC sales to the voluntary market.

  The Tier 4 technical support budget has been significantly reduced compared to the prior year because NYSERDA developed an automated verification system in-house to support energy and

REC monthly due diligence and there is no longer a need to monitor the project's construction progress. As such, the Tier 4 initiatives and workstreams planned for the upcoming compliance year have been prioritized to design processes and systems that will ensure the program is ready to manage complex contract metrics in-house, contributing to the affordability and reliability of the New York State electric grid.

- Offshore Wind: Offshore wind is a critical part of New York State's all-of-the-above energy strategy as outlined in the 2025 NYS Energy Plan. These projects remain a major source of new energy for the State, offering the ability to deliver large quantities of clean power directly into downstate load centers where demand is highest and the potential for new transmission pathways are limited. The U.S. offshore wind industry has evolved from the conceptual development phase into near-term commercially operational projects to deliver renewable energy to the northeast and mid-Atlantic grids. Nationally, five projects totaling nearly 6 GW are currently under construction or operational, including three New York-contracted projects totaling over 1.8 GW. Despite recent federal policy setbacks, the need for, and benefits from, offshore wind in New York's generation mix remains clear, and the sector is anticipated to play a long-term role in meeting the State's growing energy needs.

  Empire Wind and Sunrise Wind are immense projects providing not only 1.7 GW of clean energy to the downstate grid, but also billions of dollars supporting in-state spending and contractual commitments for NYS workers, businesses, manufacturing, domestic supply chain, research, workforce training, and investments in disadvantaged communities. Both projects expect to reach first power to the grid in late 2026 and full commercial delivery in 2027. Given these major milestones in the coming year, the Offshore Wind team's priorities will be centered on supporting the completion of these megaprojects in preparation for delivery into the New York State energy mix. Program priorities include identifying and pursuing cost-reduction strategies to benefit ratepayers, ensuring State benefits are accrued and documented, improving development certainty to enhance grid reliability, supporting legacy investments, advancing supply chain and workforce development opportunities, and to inform the remodeling of state offshore wind procurements.

  The requested Offshore Wind Technical and Implementation Support budget for CES compliance year 2027 represents a significant reduction from the previous compliance year. Planned activities and workstreams represent a portion of core programmatic functions required to implement State priorities including effectuating the contractual and reporting economic benefits elements required to the State; transitioning State systems and markets from construction-focused to operational functionality; analyzing the power generation; workforce creation, and impact metrics across all regional operating projects; implementing multi-round solicitation awards for $300 million in port and maritime infrastructure improvement projects as well as administering previous port investments; optimizing public outreach and continued engagement with key offshore wind technical stakeholders to inform the next phase of offshore wind projects (i.e. the Offshore Wind Technical Working Groups, labor, environmental groups, the fishing industry, environmental justice communities, academia and students, elected officials, etc.); and to support litigation defending New York State's offshore wind projects and industry while informing federal and state permitting reforms.

New York's commitment to responsible offshore wind development also hinges on rigorous, data-driven research of our marine ecosystems. Accordingly, included within the Offshore Wind Technical and Implementation Support budget request is funding for timely environmental and fisheries research; data processing to identify and capture lessons learned from the Empire Wind and Sunrise Wind projects and other regional offshore wind projects, and; evaluation of current construction monitoring and mitigation practices, efforts previously conducted under the CEF. Transforming scientific research and data into widespread transparent findings ensures that both the public and key decision-makers are fully equipped with accurate information to guide the responsible, cost-effective development of clean offshore energy. These initiatives together aim to maximize economic benefits and affordability for New Yorkers while ensuring offshore wind's role in the robust energy mix and reliability required by the State Energy Plan.

New York State Cost Recovery Fee (CRF)

The New York State CRF is a fee assessed to NYSERDA and other public authorities by New York State for an allocable share of State governmental costs attributable to the provision of services to public benefit corporations pursuant to Section 2975 of the Public Authorities Law. NYSERDA allocates CRF across its programs by programmatic expenditures and will allocate a proportionate share of the annual CRF to the CES program.

2027 Administrative Funding Petition Summary

Given the work needed to continue to deliver a high-quality and cost-effective CES program in furtherance of New York's climate and energy goals, NYSERDA proposes a total administrative budget of $31,934,565 for the 2027 compliance year, as shown in Table 2.

The CES administrative budget presented in Table 2 includes NYSERDA CES staff salaries, fringe benefits, and other direct program operating costs and allocated general and administrative expenses. As directed in the 2020 CES Order, NYSERDA continues to keep a detailed account of all costs incurred in administering the CES programs and any unspent administrative funds are used for future ratepayer benefit.

Table 2. Proposed CES Year 2027 Budget

Program Area	Tier 1	Tier 2	Tier 3/ZECR	Tier 4	OREC	Totals
Salaries & Overhead	$10,074,542	$116,157	$858,400	$1,450,888	$4,992,101	**$17,492,088**
Technical Support	$3,125,000	$0	$125,000	$1,620,000	$1,675,000	**$6,545,000**
System Development	$263,588	$0	$156,815	$278,588	$263,588	**$962,579**
Subtotal	**$13,463,130**	**$116,157**	**$1,140,215**	**$3,349,476**	**$6,930,689**	**$24,999,667**
NYS Cost Recovery Fee	$615,742	$813	$2,457,982	$932,746	$2,927,615	**$6,934,898**
Total*	**$14,078,872**	**$116,970**	**$3,598,197**	**$4,282,222**	**$9,858,304**	**$31,934,565**

* Numbers may not add up to 100% due to rounding.

2025 Budget Reconciliation

NYSERDA files quarterly itemized reports on the costs associated with the administration and development of the CES programs. Table 3 shows the reconciliation of CES compliance year 2025 administrative expenses by fund.

Table 3. Unspent CES Compliance Period Funds – 2025			
Program Expenses	**Compliance Year Budget**	**Compliance Year Committed**	**Uncommitted Funds**
Tier 1/RES Salary and Overhead	$7,935,709	$7,741,530	$194,179
Tier 1/RES NYS Cost Recovery Fee	$825,319	$415,242	$410,077
Tier 1/RES Technical Support	$2,817,500	-$325,708	$3,143,208
Tier 1/RES System Development	$710,000	$691,424	$18,576
***Total**	**$12,288,528**	**$8,522,488**	**$3,766,040**
Tier 3/ZECR Salary and Overhead	$693,152	$721,601	($28,449)
Tier 3/ZECR NYS Cost Recovery Fee	$5,304,175	$2,327,769	$2,976,406
Tier 3/ZECR Technical Support	132,500	$12,500	$120,000
Tier 3/ZECR System Development	910,000	$795,488	$114,512
***Total**	**$7,039,827**	**$3,857,358**	**$3,182,469**
Tier 2 Salary and Overhead	$157,903	$191,789	($33,886)
Tier 2 NYS Cost Recovery Fee Expenses	$1,595	$1,421	$174
Tier 2 Technical Support	$0	$0	$0
Tier 2 System Development Costs	$0	$0	$0
***Total**	**$159,498**	**$193,210**	**($33,712)**
Tier 4 Salary and Overhead	$1,157,012	$1,125,999	$31,013
Tier 4 NYS Cost Recovery Fee	$35,216	$16,833	$18,383
Tier 4 Technical Support	$2,054,700	$1,521,592	$533,108
Tier 4 System Development	$275,000	$299,999	($24,999)
***Total**	**$3,521,928**	**$2,964,422**	**$557,506**
OREC Salary and Overhead	$5,475,493	$5,248,467	$227,026
OREC NYS Cost Recovery Fee	$139,239	$87,947	$51,292
OREC Technical Support	$8,035,500	$4,386,587	$3,648,913
OREC System Development	$275,000	$408,551	($133,551)
***Total**	**$13,925,232**	**$10,131,553**	**$3,793,679**

* Numbers may not add up to 100% due to rounding.

Sources of Funds and Funding Proposal

NYSERDA proposes to fund its 2027 administration of the Tier 1, Tier 2, Tier 4, and OREC programs with revenues received in the previous years including bid fees, alternative compliance payments (ACP), contract security forfeitures, and interest income, and fund the Tier 3/ZECR program with an adder charge.

In accordance with previously filed implementation plans, NYSERDA collects bid fees as part of the OREC, Tier 1, and Tier 4 programs and has collected funds due to contract security forfeitures as part of the Tier 1, Tier 4, and OREC programs. The Commission has previously authorized NYSERDA to use these funds to offset the costs of administering these programs.[33] NYSERDA carried a balance of $154,248,438 into 2026 as reflected in Table 4. The balance represents revenues and expenditures through the 2025 compliance year.

NYSERDA anticipates ending calendar year 2026 with approximately $28,856,786 resulting in an overall balance of $183,105,224 as shown in Table 4. As of the 2025 compliance year,[34] ACPs are no longer part of the CES (formerly part of the Tier 1 obligation framework), and therefore no additional ACPs were collected. Table 4 also illustrates the necessary transfers to OREC, Tier 2, and Tier 4 to mitigate the ratepayer impact of CES program costs through funding these programs with revenue and balance of funds. NYSERDA proposes to continue to fund administration of the Tier 3/ZECR program through an administrative adder. Any funds collected through the ZEC adder will, if unspent, be returned to the LSEs that purchased ZECs, in a proportionate amount.

In compliance with the 2016 CES Order, NYSERDA has kept a detailed account of all costs in administering the CES program, and any unspent administrative funds will be used for future ratepayer benefit.

[33] PSC. 2021. Case 15-E-0302, *Proceeding on Motion of the Commission to Implement a Large-Scale Renewable Program and a Clean Energy Standard, Order Approving 2022 Clean Energy Standard Administrative Budget* (December 16) and PSC. 2022. Case 15-E-0302, *Order Approving 2023 Clean Energy Standard Administrative Funding and Reconciliation of Year 2021 Administrative Costs* (December 15).
[34] NYSERDA. 2023. Case 15-E-0302, *Proceeding on Motion of the Commission to Implement a Large-Scale Renewable Program and a Clean Energy Standard, Phase 5 Implementation Plan* (August 30).

Table 4. Preliminary Estimate of CES RES Balance of Funds	
	Amount
Beginning Balance/(Deficit), January 1, 2026	$154,248,438
Revenue/Source of Funds (Tier 1)	
Management/Bid Fees	$1,300,000
Contract Security and Bid Deposits	$45,792,934
Investment Income	$8,520,461
Total Tier 1 Revenue	$55,613,395
Expense/Use of Funds (Tier 1)	
Program Administration	$8,862,619
Program Support	$2,317,500
System Development Costs	$395,333
NYS Cost Recovery Fee	$698,767
Total Tier 1 Expense	$12,274,219
Transfers to Other Funds	
Transfer to OREC	$8,608,894
Transfer to Tier 2	$107,371
Transfer to Tier 4	$5,766,125
Total Transfer from Tier 1 to Other Funds	$14,482,390
Balance/(Deficit), 1/1/2026-12/31/2026	$28,856,786
Cumulative Balance/(Deficit), December 31, 2026	$183,105,224

* Numbers may not add up to 100% due to rounding.

Conclusion

NYSERDA respectfully requests that the Commission approve the CES compliance year 2027 administrative costs as proposed in this filing and the corresponding proposals to fund Tier 1, Tier 2, Tier 4, and OREC costs with revenues received in the previous years including bid fees, forfeited contract security funds, ACP, and interest income, and to fund the Tier 3/ZECR program with an administrative adder charge as in previous years.

Dated: July 31, 2026

Appendix A – Currently Open Positions

Table A.1 shows the status of currently open positions.

Table A.1. Status of Current Approved Open Positions		
Position	**Team/Focus**	**Status**
Deputy General Counsel	Legal	Posted. Pending Commission approval per NYSERDA backfill petition filed on April 3, 2026*
Director, Transmission	Transmission Grid Center of Excellence	Vacant. Pending Commission approval per NYSERDA backfill petition filed on April 3, 2026*
* NYSERDA. 2025. Case 15-E-0302, *Proceeding on Motion of the Commission to Implement a Large-Scale Renewable Program and Clean Energy Standard, Petition for Approval to Backfill Clean Energy Standard Funded Staff Positions* (April 3).		

Appendix B – Indicative Full Time Employee Positions of the CES Program

Listed below are indicative full-time positions across the CES programs based upon the proposed 2027 workstreams and programmatic needs. However, these positions may be re-allocated within Commission-approved budgets based on future legal, regulatory, market, and programmatic changes. Some positions also support multiple programs and are therefore split across multiple funds. This section incorporates the most recent 2.95 FTE reduction discussed in the body of the petition.

Table B.1. Full Time Equivalents by Fund

Fund	*Tier 1*	*Tier 2*	*Tier 3/ZECR*	*Tier 4*	*OREC*	*FTE Total*
Proposed 2026 FTE*	23.53	0.25	1.99	3.49	11.04	**40.30**

* Numbers may not add up due to rounding.

Tier 1 (REC) Staff

The 23.53 FTEs currently supporting the Tier 1 program are engaged in a variety of functions across several broad categories:

- Project Managers (8.0 FTE) – Project Managers perform a variety of tasks in support of the Tier 1 program, with their primary tasks being the negotiation of contracts for new awards and active management of existing contracts with generators that are not yet in commercial operation. Each annual solicitation typically results in 18-25 new contracts to negotiate, execute, and manage. Additionally, Project Managers perform program and policy analysis, maintain expert working knowledge of the New York, national, and global markets, and apply that knowledge to the Tier 1 program to pursue cost-effective, timely, and efficient resource development. This work includes developing expertise and informing programmatic activities on ad hoc issues, such as capacity accreditation, inflation, federal policy, and other matters directly affecting the Tier 1 portfolio.

- Operations (9.63 FTE) – The Operations staff provides a variety of services to enable the efficient and reliable functioning of the Tier 1 Program. This group manages NYGATS, settles contracts with generators in commercial operation, takes possession of the RECs, and then sells the RECs to LSEs and the voluntary market (starting in the 2025 compliance year, per the Commission's Order modifying the Tier 1 obligation[35]). This group also manages all Tier 1 related data,

[35] PSC. 2023. Case 15-E-0302, *Proceeding on Motion of the Commission to Implement a Large-Scale Renewable Program and a Clean Energy Standard, Order Modifying Clean Energy Standard Tier 1 Obligation* (April 20).

including internal tracking, Open NY reporting, and business system development and maintenance as well as CES financial tracking, reporting, and management.

The operations group also includes an analyst position which is critical for developing program cost estimates, forecasting future cash flows, and analyzing the impact of various market changes on the program. The operations group includes transmission system experts supporting the annual solicitation and the team's engagement with DPS Staff on issues such as the Commission's Case 20-E-0197, a Proceeding on the Motion of the Commission to Implement Transmission Planning Pursuant to the Accelerated Renewable Energy Growth and Community Benefit Act. Origination specialists who conduct the annual Tier 1 solicitation are also included here. Finally, the operations group includes a partial position for a communications specialist who assists with public notices and other public communications (for example, solicitations and webinars) conducted by the team.

- Legal (1.05 FTE) – Each Tier 1 award is memorialized in a purchase contract for Tier 1 RECs between the awarded generation project and NYSERDA. Each contract is individually negotiated and executed based on a standard contract. The legal team also supports program design, policy creation, and regulatory filings and works collaboratively with Project Managers and Operations staff to address disputes or contractual issues as they arise.

- Siting (1.7 FTE) – NYSERDA offers several resources to help local governments understand how to manage responsible clean energy development in their communities. These resources include step-by-step instructions and tools to guide the implementation of clean energy related to permitting processes, property taxes, siting, and zoning. The members of the Siting team develop these resources and act as a single point of contact for communities wishing to learn more or make use of the resources.

- Leadership (3.15 FTE) – Leadership positions are shared functions across the Large-Scale Resources programs and include the head of the Large-Scale Resources team as well as the directors actively engaged on Tier 1 issues. This team provides coordination and collaboration across the entire CES team, sets team priorities, develops program strategy, completes ad hoc analysis and projects, and ensures that the programs under their guidance continue to innovate in pursuit of New York's clean energy goals while minimizing ratepayer impact and ensuring the most positive outcomes possible for all New Yorkers.

Tier 2 Staff

The Tier 2 staff is currently comprised of 0.25 FTE made up of partial allocations to a counsel and an operations specialist.

Tier 3/ZECR Staff

The Tier 3/ZECR staff is currently comprised of 1.99 FTE. Partial FTE allocations are spread across several roles including project management, legal, operations, and leadership, with each having specific tasks such as determining LSE obligations, establishing LSE collections, making payments to the ZEC sellers, and reconciling the program at the end of each compliance year.

Tier 4 Staff

The Tier 4 staff is currently comprised of 3.49 FTEs. Two FTEs are Project Managers dedicated to managing NYSERDA's contracts and implementing a settlements system and an energy verification system to fulfill contract obligations with the awarded Tier 4 project. There is also a smaller portion of time from several supporting areas accounted for in this total, including legal, transmission expertise, operations, contracts, and leadership.

Offshore Wind (OREC) Staff

The 11.04 FTEs currently supporting the Offshore Wind program are engaged in a variety of functions across several broad categories:

- Project Managers (5.0 FTE) – The OREC Project Managers have primary responsibility to originate projects through periodic solicitations and to manage the existing portfolio of OREC contracts. New York is not just building offshore wind generation, but, rather, an entire offshore wind industry. This staff originates awards and manages in-development contracts. Included here are also the Fisheries Liaison as well as several partial FTE for offshore wind related contract creation, analyst capabilities, and CES operations functions.

- Labor and Economic Development Manager (1.0 FTE): This position engages and strategizes with key public and private industry stakeholders to develop a New York supply chain ecosystem to ensure supply of critical components and services to meet the growing demand of this national and global industry. The position manages the funds being invested in port and manufacturing infrastructure while also encouraging private industry to respond to other funding opportunities, such as federal programs. As the supply chain advances, this position will assist existing New

York small-to-medium sized businesses, including minority and women-owned business enterprises (MWBE), service-disabled veteran-owned business enterprises (SDVOB), and businesses located in disadvantaged communities (DACs), by guiding them to services such as business training, direct technical assistance, or participation in local or national business-to-business engagement activities.

- Workforce Development Manager (0.5 FTE): To enable the buildout of the offshore wind projects and concomitant benefits to New York, there is a critical need to prioritize workforce training inclusive of DACs. As the offshore wind supply chain investments are advanced, the workforce must be simultaneously developed to support the buildout of that supply chain and the construction of offshore wind projects. This position builds close working relationships and coordinates across various stakeholders, including academic institutions, technical trade groups, offshore wind suppliers, developers, DACs, and many others, to help create the workforce needed to support the offshore wind industry.

- Operations and Support (1.19 FTE) – Similar to Tier 1, these positions support data management, NYGATS and OREC management, contract settlement, and contracting.

- Transmission Expertise (1.0 FTE) – Electric grid transmission expertise is a key part of advancing offshore wind. NYSERDA needs to have an informed and educated approach for both how the offshore electric grid should be configured and how and where to interconnect that energy into the existing onshore grid.

- Legal (0.85 FTE) – The legal team also supports program design and policy creation, and regulatory filings, and works collaboratively with Project Managers and Operations staff to address potential disputes or contractual issues as they arise. Each Offshore Wind program award results in a purchase contract for ORECs between the owner of an awarded generation project and NYSERDA. Each contract is individually negotiated and established. Legal FTE also support the OSW supply chain development activities and other contracts beyond the OREC purchase agreements.

- Leadership (1.5 FTE) – Leadership positions are shared functions across the Large-Scale Resources programs and include the head of the Large-Scale Resources team as well as the director actively engaged on offshore wind issues. This team provides coordination and collaboration across the entire CES team, sets team priorities, develops program strategy, completes ad hoc analysis and projects, and ensures that the programs under their guidance continue to innovate in pursuit of New York's clean energy goals while minimizing ratepayer impact and ensuring the most positive outcomes possible for all New Yorkers.

Appendix C – CES Overhead & Indirect Cost Allocation Budget Detail

Appendix C: Overhead/Indirect Cost Allocation Budget Details - 2027 CES Administrative Funding Petition

	Direct Staff		Indirect Staff			General & Administrative		
	Direct CES Staff	Direct Fringe Benefits[1]	Indirect Staff[2]	Indirect Labor	Indirect Fringe Benefits[1]	General & Administrative	Indirect Staff Augmentation[3]	Indirect Staff Augmentation[3]
	FTEs	$	FTEs	$	$	$	FTEs	$
Program Teams	**36.20**	**2,228,505**	**21.55**	**2,865,239**	**1,003,983**	**2,484,208**	**4.95**	**784,570**
Clean Energy Siting	1.70	114,909	1.11	147,741	51,769	128,094	0.26	40,455
Environmental Research	1.60	97,699	0.94	125,614	44,015	108,909	0.22	34,396
Land-Based Renewables	10.00	572,121	5.53	735,589	257,751	637,768	1.27	201,422
Offshore Wind	5.90	372,779	3.61	479,291	167,944	415,553	0.83	131,241
Settlements & Reporting	16.00	973,389	9.41	1,251,508	438,530	1,085,078	2.16	342,692
Large-Scale Resources	1.00	97,607	0.94	125,495	43,974	108,806	0.22	34,364
Entity-Wide Functions	**4.10**	**249,915**	**2.42**	**321,321**	**112,591**	**278,591**	**0.55**	**87,985**
Contracts & Finance	1.40	62,781	0.61	80,718	28,284	69,984	0.14	22,103
Communications & Marketing	0.70	42,122	0.41	54,157	18,977	46,955	0.09	14,830
Counsel's Office	2.00	145,012	1.40	186,445	65,331	161,651	0.32	51,053
Total	**40.3**	**2,478,420**	**23.97**	**3,186,560**	**1,116,574**	**2,762,799**	**5.50**	**872,555**

[1] Fringe Benefits consists mainly of NYS government health plan and retirement plan costs.

[2] Indirect Staff FTEs are allocated to following Entity-Wide Function areas based off the actual allocation of indirect labor from the 25-26 fiscal year: Contracts & Finance - 3.90, Communications & Marketing - 4.48, Facilities & Human Resources - 2.22, Office of the President & Counsel - 3.08, Policy & Regulatory Affairs - 1.98, Information Technology & Operations - 8.31

[3] Indirect Staff Augmentation FTEs and budgets represent roles within NYSERDA Entity-Wide Function Teams that are temporary in nature. Indirect Staff Augmentation FTEs are allocated to following Entity-Wide Function areas based off the actual allocation of Indirect Staff Augmentation labor from the 25-26 fiscal year: Contracts & Finance - 0.85, Communications & Marketing - 0.38, Facilities & Human Resources - 0.61, Policy & Regulatory Affairs - 0.42, Information Technology & Operations - 3.12, Office of the President & General Counsel - 0.12

[4] Direct Staff Augmentation positions are funded through the Technical Support and System Development Budget line items within the 2027 Administrative Petition. The budget included anticipated funding of $320,320 to fund 1.4 FTEs that are temporary in nature.