Welcome!

*Today’s webinar: RGGI Operating Plan*

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Opening Remarks
Agenda

• Funding Assumptions and Proposed Budgets
• Proposed Programs
• Discussion
• Next Steps
Funding Assumptions
Funding Assumptions

• Revenues based on conservative estimate of 85% of modeling results used in RGGI Program Revenue
• 85% factor developed based on analysis of historical allowance prices and prior Program Review modeling
• Result assumes allowance prices range from average $5.05 in FY18-19 to $5.68 in FY20-21
• December 2017 auction cleared at $3.80
• Plan assesses impacts if future allowance prices remained at this level
### Funding Assumptions

*Estimates of proceeds for FY 18-21 for planning purposes*

<table>
<thead>
<tr>
<th></th>
<th>FY 18-19 Forecast</th>
<th>FY 19-20 Forecast</th>
<th>FY 20-21 Forecast</th>
</tr>
</thead>
<tbody>
<tr>
<td>Number of Allowances</td>
<td>21,094,177</td>
<td>20,298,765</td>
<td>20,531,664</td>
</tr>
<tr>
<td>Allowance Price</td>
<td>$5.05</td>
<td>$5.35</td>
<td>$5.68</td>
</tr>
<tr>
<td>RGGI Auction Proceeds</td>
<td>$106,586,042</td>
<td>$108,655,989</td>
<td>$116,577,981</td>
</tr>
<tr>
<td>Interest Earnings</td>
<td>$204,000</td>
<td>$116,000</td>
<td>$91,000</td>
</tr>
<tr>
<td>Total Revenues</td>
<td>$106,790,042</td>
<td>$108,771,989</td>
<td>$116,668,981</td>
</tr>
</tbody>
</table>
Overview of Proposed Budgets
Financial Status of RGGI Program Budgets

• Continuing declines in auction allowance prices
  - Led to cumulative approved programmatic allocation in excess of cumulative revenues

• Multi-year Operating Plan
  - Brings commitments in line with projected future revenue by the end of three-year period
Reduction of CEF RGGI Funding

- Original CEF Authorization $5.322 billion over 10 years
  - $3.9B from ratepayer collections (2016-2036)
  - $1.2B from repurposing uncommitted SBC/EEPS/RPS funds
  - $250M (5%) from RGGI funds over 10 years
- $68.3M proposed reduction is 1.25% of Total CEF Funding
- Reduces Mkt. Development / Innovation & Research by 2%
- Anticipate achieving 10-year goal outcomes
- Potential to restore funding if additional RGGI funds or other monies become available
- Further reductions if RGGI revenues below projections
  - If prices remain at Dec. auction price of $3.80, additional reductions of $102.8M would be necessary
Overview of Proposed Programs
New York RGGI Investment Strategies

New York State invests RGGI proceeds to support comprehensive strategies that best advance the State’s CO$_2$ emission reduction goals through investments in energy efficiency, renewable energy, and carbon abatement technologies.

The RGGI portfolio is designed to achieve greenhouse gas emission reductions by:

- Deploying commercially available energy efficiency and renewable energy technologies
- Building the State’s capacity for long-term carbon reduction
- Empowering New York communities to reduce carbon emissions and transition to cleaner energy
- Stimulating entrepreneurship and growth of clean energy and carbon abatement companies in New York
- Creating innovative financing to increase adoption of clean energy and carbon abatement in the State
Program Investments of $245M for FY 18-21

- $146,450,000 (60%) Innovative financing
- $57,000,000 (23%) Building capacity for long-term carbon reduction
- $23,000,000 (9%) Empowering New York communities and transition to cleaner energy
- $11,500,000 (5%) EE/RE Technologies
- $6,684,468 (3%) Stimulating entrepreneurship and growth of clean energy
New York RGGI Investment Profile

• Energy Efficiency and Renewable Energy
  • Retained commitments to market growth and universal opportunity

• Building Capacity for Long-term Carbon Reduction
  • Retained commitment; look for expansion plan opportunities

• Community Transition
  • Support the transition to sustainable and resilient communities

• Stimulate Innovation and growth of clean energy
  • Foster growth in electric vehicle (EV) market

• Financing
  • Retained commitment to Green Jobs / GreenNY loan activity
Discussion
Next Steps

• Submit written comments to rggiprograms@nyserda.ny.gov by close of business on January 5, 2018

• A revised Operating Plan document will be provided to NYSERDA’s Board of Directors for review prior to the meeting scheduled for January 23, 2018

• NYSERDA will be updating its email list service, and NYS RGGI stakeholders can expect correspondences to confirm records are up to date
Thank you!