Stakeholder Advisory Group Meeting

DRAFT – 2019 Regional Greenhouse Gas Initiative Operating Plan Amendment

December 19, 2018
Welcome!

Today’s webinar: **RGGI Operating Plan**

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Opening Remarks
Agenda

- Funding Assumptions
- Proposed Budgets
- Proposed Programs
- Discussion
- Next Steps
Funding Assumptions
Funding Assumptions

• Last year, forecasted revenues were based on an estimated 85% of modeling results used in RGGI Program Review.
• This year, forecasted revenues based on most recent auction price.
  • More conservative approach
  • Avoids speculation of future prices
• Most recent auction (December 5) auction price: $5.35/allowance.
### Funding Assumptions

*Estimates of proceeds for FY 19-22 for planning purposes*

<table>
<thead>
<tr>
<th></th>
<th>FY 19-20 Forecast</th>
<th>FY 20-21 Forecast</th>
<th>FY 21-22 Forecast</th>
</tr>
</thead>
<tbody>
<tr>
<td>Number of Allowances</td>
<td>20,298,765</td>
<td>20,535,096</td>
<td>23,000,000</td>
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<tr>
<td>Allowance Price</td>
<td>$5.35</td>
<td>$5.35</td>
<td>$5.35</td>
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<tr>
<td>RGGI Auction Proceeds</td>
<td>$108,598,393</td>
<td>$109,862,764</td>
<td>$123,050,000</td>
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<tr>
<td>Interest Earnings</td>
<td>$748,000</td>
<td>$547,000</td>
<td>$249,000</td>
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<tr>
<td>Total Revenues</td>
<td>$109,346,393</td>
<td>$110,409,764</td>
<td>$123,299,000</td>
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</table>
Overview of Proposed Budgets
Financial Status of RGGI Program Budgets

- Continues Multi-year Operating Plan approach
  - Last year: Presented a balanced budget at the end of the three-year plan period
  - This year: commitments in line with projected future revenue at the end of each fiscal year
Clean Energy Fund (CEF) Contributions

• January 2018 RGGI Plan proposed $68.3 million (2%) reduction to 10-yr CEF Funding Authorization
• Available revenues provide the ability to restore previously authorized CEF contributions while advancing annual balanced budgets.
• By the end of the three year Plan period, the cumulative amount of funding transferred to the CEF would align with the original expectation of $25 million per year.
• NYSERDA intends to transfer $25 million per year to the CEF through 2025.
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 CO2 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 $341M for FY 19-22

<table>
<thead>
<tr>
<th>RGGI Investments</th>
<th>FY19-20 Budget</th>
<th>FY20-21 Forecast</th>
<th>FY21-22 Forecast</th>
<th>Total</th>
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<tbody>
<tr>
<td>LIPA Efficiency and RE</td>
<td>25,000,000</td>
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<td>Energy Storage</td>
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<td>52,926,434</td>
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<td>EmPower NY</td>
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<td>200,000</td>
<td>600,000</td>
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<td>Home Performance with Energy Star</td>
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<td>300,000</td>
<td>300,000</td>
<td>900,000</td>
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<td>Electric Vehicle/Charge NY</td>
<td>5,000,000</td>
<td>-</td>
<td>-</td>
<td>5,000,000</td>
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<td>Transfer to State - Env. Tax Credits</td>
<td>23,000,000</td>
<td>23,000,000</td>
<td>23,000,000</td>
<td>69,000,000</td>
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<td>Electric Generation Facility Cessation Mitigation Program</td>
<td>-</td>
<td>15,000,000</td>
<td>-</td>
<td>15,000,000</td>
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<td>Transfer to Green Jobs-Green NY- Additional Funding</td>
<td>15,900,000</td>
<td>15,900,000</td>
<td>15,884,661</td>
<td>47,684,661</td>
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<td>Subtotal</td>
<td>122,326,434</td>
<td>79,400,000</td>
<td>39,384,661</td>
<td>241,111,095</td>
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<tr>
<td>Transfer to(from) Clean Energy Fund</td>
<td>(5,278,403)</td>
<td>26,036,766</td>
<td>79,241,638</td>
<td>100,000,000</td>
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<td>Total</td>
<td>117,048,031</td>
<td>105,436,766</td>
<td>118,626,298</td>
<td>341,111,095</td>
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Discussion
Next Steps

• Submit written comments to rggiprograms@nyserda.ny.gov by close of business on January 8th

• A revised Operating Plan document will be provided to NYSERDA’s Board of Directors for consideration at the January 29th meeting