

Request for Stakeholder Comment

New York Generation Attribute Tracking System (NYGATS) Draft Operating Rules Issued October 27, 2015 Comments Due December 4, 2015

Assembly Bill A6114-C (the same as S 3872-C), passed by the New York State Legislature in 2012, requires the New York State Energy Research and Development Authority (NYSERDA) to establish a generation attribute tracking system to record electricity generation attribute information within New York State, and process generation attribute information from energy imported and consumed within the state, as a basis for creating tradable generation attribute certificates. The statute provides that the certificates “shall exist as a commodity separate and apart” from the associated energy.

The statute further directs that the system shall:

- assign initial ownership of generation attribute certificates; provide for the transfer or conveyance, ownership and retirement of generation attribute certificates;
- facilitate participation in, and use of, such generation attribute tracking system by buyers, sellers and brokers with respect to the ownership, transfer or conveyance, and retirement of generation attribute certificates; and
- ensure cooperation and the smooth exchange of information among and between the generation attribute tracking system and similar systems within or outside the state.

In consultation with the New York Department of Public Service (DPS) and the New York Independent System Operator (NYISO), and in consultation with its competitively-selected contractor APX, Inc., NYSERDA has drafted detailed Operating Rules to guide participation in and administration of the New York Generation Attribute Tracking System (NYGATS) (see attached).

The NYGATS will issue and track electronic certificates recording the generation attributes associated with each megawatt-hour of electricity generated in the State or imported into the State. NYGATS will support New York State energy initiatives, including the voluntary market for tradable renewable energy certificates (RECs). It will also support reporting with respect to the environmental characteristics of electricity, which is currently done through the Environmental Disclosure Program. The NYGATS platform will clearly establish and track title/ownership to environmental commodities and will result in simpler, less costly verification of financial transactions and offers high credibility with low potential for intentional or inadvertent fraud or double counting.

In order to facilitate the development of New York’s renewables market, including the voluntary market, the draft Operating Rules propose to allow unbundled certificate transactions, under defined circumstances. Consumers who wish to support renewable energy without purchasing it from their electricity supplier have the option to do so with unbundled tradable certificates. In addition, New York renewable energy generators would be able to sell their certificates to buyers without having to become retail electricity suppliers. Unbundling will also facilitate the transfer of RECs for voluntary markets and regulatory programs including the Renewable Portfolio Standard and any successor program.



These draft Operating Rules are now released for public review and comment. Comments may be submitted to nygats@nyserda.ny.gov and should be submitted no later than Friday, December 4th, 2015. If you need assistance with this process, please contact Doreen Harris at NYSERDA 518-862-1090 x3337 or doreen.harris@nyserda.ny.gov.

A stakeholder meeting will be held to discuss the draft Operating Rules. The meeting is scheduled to begin at 10 AM on Monday, November 16th at NYSERDA's offices at 17 Columbia Circle, Albany, NY. Further details, including the stakeholder meeting's agenda and options to access the meeting via phone or webinar, will be provided at least one week prior to the meeting. More information on this meeting can be found at <http://www.nyserda.ny.gov/Cleantech-and-Innovation/Environment/Research-Crosscutting-Topics/New-York-Generation-Attribute-Tracking-System>.

Comments are requested on any aspect of the draft Operating Rules; NYSERDA specifically requests comments on (1) imports and exports of certificates (Section 12); (2) certificate retirement (Section 11); (3) certificate banking (Section 6.2); and 4) rules for small generators/aggregation (Sections 4.3 & 5.8).

