



**NYSERDA**

# **Stakeholder Advisory Group Meeting**


**DRAFT - 2018 Regional Greenhouse Gas Initiative  
Operating Plan Amendment**

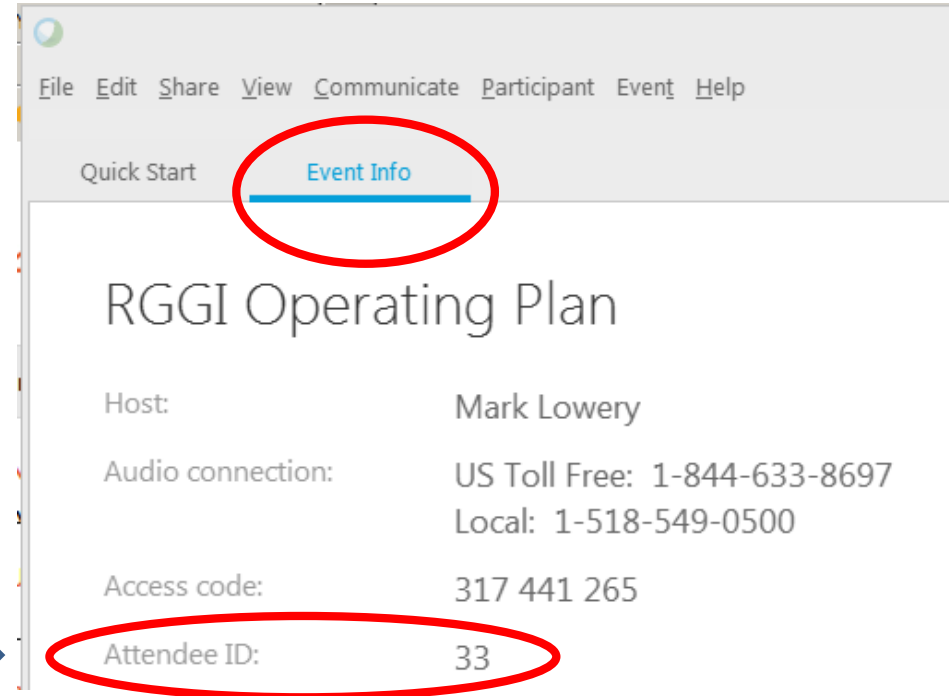
**December 20, 2017**

# Welcome!

Today's webinar: *RGGI Operating Plan*

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- 2) Enter *your unique attendee ID* when prompted. 



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Quick Start Event Info

## RGGI Operating Plan

Host:	Mark Lowery
Audio connection:	US Toll Free: 1-844-633-8697 Local: 1-518-549-0500
Access code:	317 441 265
Attendee ID:	33

## Problems or technical questions?

- Use WebEx Chat

## Content questions for speakers?

- Use WebEx Q&A



A screenshot of the WebEx interface. The top navigation bar contains icons for Participants, Chat, Recorder, and Q&amp;A. The Chat and Q&amp;A icons are circled in red. Below the navigation bar, the interface shows a list of participants (1), a 'Speaking:' section, a panelist list (1), and a list of attendees (0). The Q&amp;A section is expanded, showing a 'Select button to record on server' dropdown and a 'Q&amp;A' button, which is also circled in red. A large red arrow points from the text 'Use WebEx Q&amp;A' to this button.

Select a question, and then type your answer here. There is a 256-character limit.

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# Opening Remarks

# Agenda

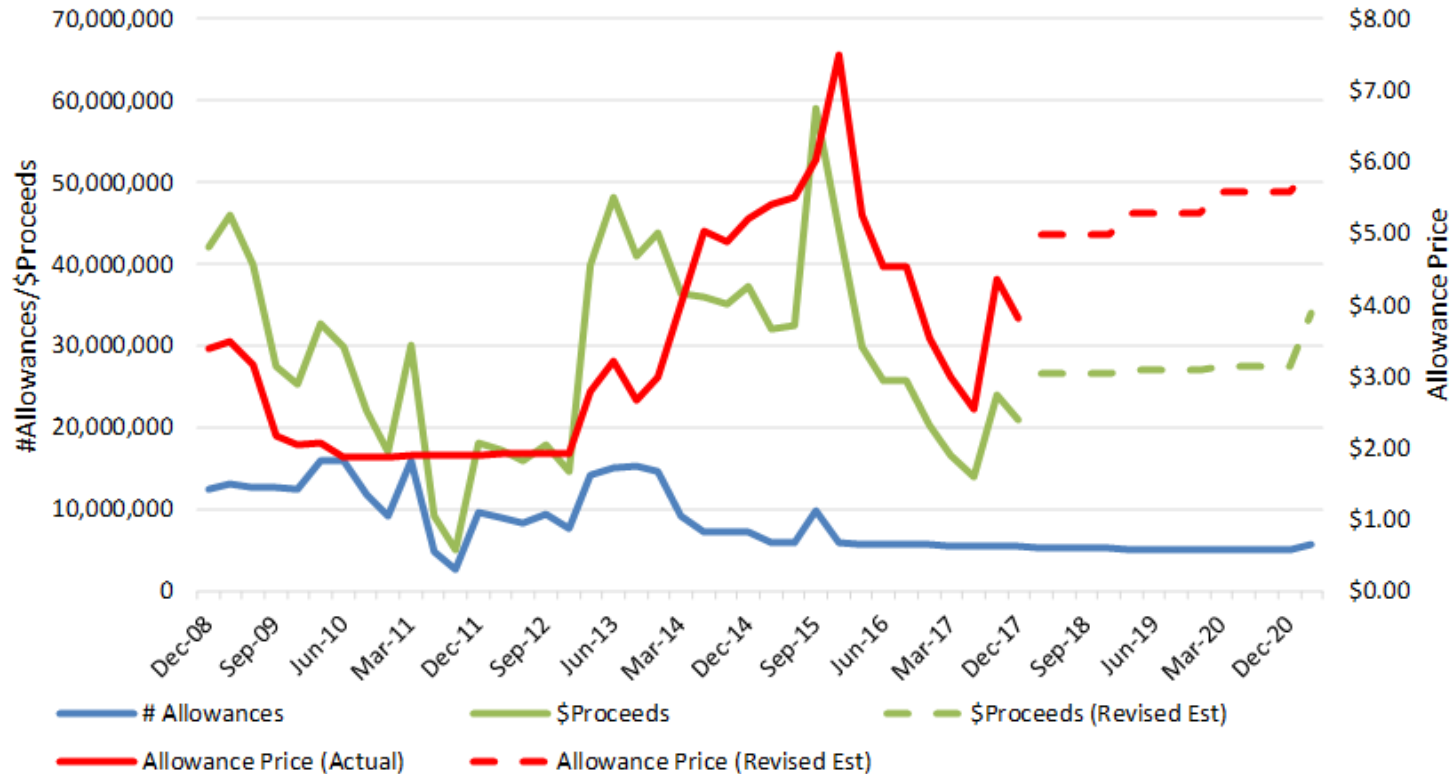
- Funding Assumptions and Proposed Budgets
- Proposed Programs
- Discussion
- Next Steps

# 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

# RGGI Auction History and Projections





# Funding Assumptions

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

	FY 18-19 Forecast	FY 19-20 Forecast	FY 20-21 Forecast
Number of Allowances	21,094,177	20,298,765	20,531,664
Allowance Price	\$5.05	\$5.35	\$5.68
RGGI Auction Proceeds	\$106,586,042	\$108,655,989	\$116,577,981
Interest Earnings	\$204,000	\$116,000	\$91,000
<b>Total Revenues</b>	<b>\$106,790,042</b>	<b>\$108,771,989</b>	<b>\$116,668,981</b>

# 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

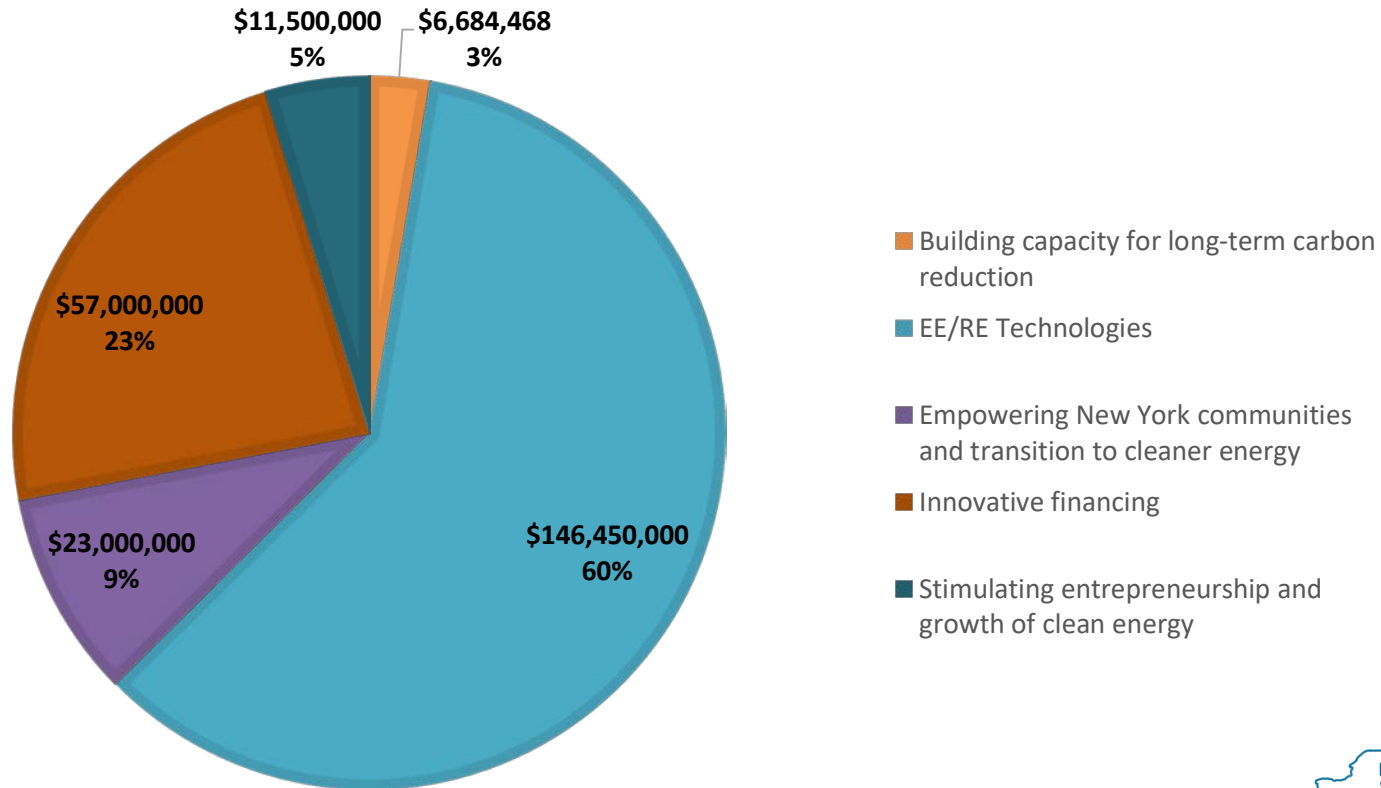
# New York RGGI Investment Strategies

New York State invests RGGI proceeds to support comprehensive strategies that best advance the State's CO<sub>2</sub> 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



# 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](mailto: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!