Case 15-E-0302

Offshore Wind Standard

Final Offshore Wind Implementation Plan

Date: July 7, 2026

Filed by New York Energy Research and Development Authority

Table of Contents

1. Introduction and Background 3
2. Implementation of Offshore Wind REC Voluntary Sales 3
   - 2.1 Long-Term Contracting 4
   - 2.2 Annual Voluntary OREC Pre-Sale 4
     - 2.2.1 Annual OREC Pre-Sale Eligible Purchasers 5
     - 2.2.2 Annual OREC Pre-Sale Inventory 5
     - 2.2.3 Annual OREC Pre-Sale Price 6
     - 2.2.4 Annual OREC Pre-Sale Process 6
     - 2.2.5 Annual OREC Pre-Sale Allocation 7
     - 2.2.6 Annual OREC Pre-Sale Invoices 7
   - 2.3 Annual OREC Re-Sale 7
   - 2.4 OREC Transfers 8
   - 2.5 Transferability 8
3. Implementation of OREC Load Share Obligation 8
4. Special Participation 8
5. LSE CES-Obligation and Reconciliation 9
   - 5.1 LSE OREC Obligation 9
   - 5.2 LSE OREC Rate 9
     - 5.2.1 Initial Compliance Year 10
     - 5.2.2 Load Component 10
   - 5.3 Load Modifier Rate 11
   - 5.4 Notification/Publication 11
   - 5.5 OREC Obligation Payment Determination 11
   - 5.6 CES-Obligated LSE Reconciliation 12
   - 5.7 NYSERDA Agreements with LSEs 12
6. Reporting Requirements 12
7. Appendix A: OREC Purchase and Sale Agreement 13

1. Introduction and Background

New York State's climate agenda calls for an affordable and just transition to a clean energy economy that creates family-sustaining jobs, promotes economic growth through green investments, and directs a minimum of 35 percent of the benefits to disadvantaged communities. New York is advancing a suite of efforts to achieve an emissions-free economy by 2050, including in the generation, buildings, transportation, and waste sectors.

In January 2018, NYSERDA filed an Offshore Wind Policy Options Paper that launched regulatory proceedings culminating in the New York State Public Service Commission's (PSC) issuance of the Phase 1 Order in July 2018.[1] The Phase 1 Order adopted the goal to procure 2,400 MW of offshore wind capacity by 2030. NYSERDA launched its inaugural solicitation for offshore wind (ORECRFP18-1) in November 2018.

In July 2019, the Climate Act was signed into law and specifies many clean energy development requirements, including 9,000 MW of offshore wind by 2035. The Climate Leadership and Community Protection Act (Climate Act) also calls for an orderly and just transition to clean energy that creates jobs and to continue fostering a green economy. In January 2020, NYSERDA filed a petition with the Commission, which noted that NYSERDA will file an Implementation Plan that includes a description of the Load Serving Entity (LSE) OREC obligations and the form LSE contract.[2] In April 2020, the PSC published an Order Authorizing Offshore Wind Solicitation which instructed NYSERDA to procure at least 1,000 MW of additional offshore wind capacity.[3]

In July 2020, NYSERDA launched its second offshore wind solicitation (ORECRFP20-1) to procure up to 2,500 MW of offshore wind. This solicitation also included a complementary port facility infrastructure investment program to unlock private investments and backed by New York State funding. In July 2022, NYSERDA launched its third offshore wind solicitation (ORECRFP22-1). In June 2024, NYSERDA announced finalized contracts for the Empire Wind 1 and Sunrise Wind projects as a result of the fourth competitive offshore wind solicitation (ORECRFP23-1). Both the Empire Wind 1 and Sunrise Wind projects are under construction, along with the South Brooklyn Marine Terminal. In July 2024, NYSERDA issued its fifth competitive offshore wind solicitation (ORECRFP24-1). NYSERDA's competitive solicitations are critical steps for bolstering the State's growing large-scale renewable energy industry and part of a sequential approach to develop New York's renewable energy supply chain in coordination with renewable energy projects.

2. Implementation of Offshore Wind REC Voluntary Sales

NYSERDA will offer Offshore Wind Renewable Energy Certificates (ORECs) for sale to the voluntary market. Revenues from such sales will be applied to offset the costs of the Offshore Wind Program and thereby

[1] Case 18-E-0071, In the Matter of Offshore Wind Energy, *Order Establishing Offshore Wind Standard and Framework for Phase 1 Procurement*, (Issued July 13, 2018), p. 6.

[2] Case 18-E-0071, In the Matter of Offshore Wind Energy, *Petition Regarding Offshore Wind Procurement*, (Filed January 28, 2020), p. 12.

[3] Case 18-E-0071, In the Matter of Offshore Wind Energy, *Order Authorizing Offshore Wind Solicitation in 2020*, (Issued April 23, 2020), p. 2.

reduce the financial obligations of New York ratepayers.[4] As detailed below, NYSERDA will offer an OREC voluntary sale process that is very similar to the PSC-approved Tier 1 Renewable Energy Certificate (REC) voluntary sale process detailed in the Phase 5 Implementation Plan.[5] Utilizing this approach for Offshore Wind will also provide insight into the demand for ORECs as the voluntary market continues to evolve. NYSERDA ORECs will be offered at no less than NYSERDA's own net-levelized cost to procure, including any PSC-approved administrative adder. Currently, NYSERDA submits to the PSC, on an annual basis, a request for CES administrative funding which may include an administrative adder for the program.

Potential voluntary purchasers may include various organizations from the higher education and municipal government sectors, as well as energy service companies (ESCOs), businesses from the commercial and industrial sectors, health care organizations and brokerage firms, among others. Considering feedback received, NYSERDA believes a hybrid approach for the voluntary sale of ORECs would be best, including a long- term contracting option, an annual OREC Pre-Sale and an annual OREC Resale, all described in greater detail below. This approach has already been implemented with the sale of Tier 1 RECs to the voluntary market starting in July 2024.

2.1 Long-Term Contracting

Through this implementation plan, NYSERDA will be able to enter into voluntary long-term contracts with creditworthy entities for the purchase of ORECs. The terms and conditions of the contracts will include, but not be limited to contract length, OREC quantity, OREC price, and payment terms. The terms and conditions will be memorialized within the individual contracts. Under any voluntary long-term contract, participants will be required to purchase ORECs at no less than the NYSERDA net-weighted average cost to procure plus any administrative adder approved by the PSC for that compliance year. Any revenue NYSERDA receives from the long-term contracts will be recognized as Long-Term Contract Revenue for the purpose of the LSE OREC Obligation Reconciliation and, as such, will reduce the total cost of the OREC program to ratepayers. The OREC Reconciliation is discussed later in the Implementation Plan.

2.2 Annual Voluntary OREC Pre-Sale

NYSERDA recognizes that some entities may also want an alternative to long-term contracts. Therefore, NYSERDA will offer an Annual Voluntary Pre-Sale of ORECs, covering a one-year period with a NYSERDA-projected OREC price. This sale derives its name from the fact that it will occur before the compliance year, thus offering voluntary purchasers an opportunity to secure OREC purchases for the upcoming compliance year.

Under this process, NYSERDA will hold an Annual Voluntary Pre-Sale prior to the start of the next OREC compliance year. Through this Pre-Sale, NYSERDA will offer a percentage of the net expected OREC inventory for the following compliance year for sale. The length of the Pre-Sale period will be fourteen (14) days and proceed according to the OREC Pre-Sale Process Schedule as shown in Table 1 below. NYSERDA will conduct Annual Voluntary Pre-Sales throughout the life of the OREC Program. NYSERDA will announce the quantity of ORECs available for sale, Pre-Sale price, and Pre-Sale process no later than July

[4] 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 Obligations*, (Issued April 20, 2023), p. 16.

[5] 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*, (Filed August 30, 2023).

15 each year through the end of the OREC program. If changes to the sale timing or duration are needed, NYSERDA's proposed changes will be filed with the Secretary of the PSC.

Table 1: Sample of Forward OREC Pre-Sale Process Schedule

Trading Period	Voluntary OREC Pre-Sale Offer Announcement	Voluntary OREC Pre-Sale Process Conclusion
YEAR	Between July 1, YEAR and July 15, YEAR	Announced Start Date+ 14 calendar days
YEAR	Between July 1, YEAR and July 15, YEAR	Announced Start Date+ 14 calendar days
YEAR	Between July 1, YEAR and July 15, YEAR	Announced Start Date+ 14 calendar days
YEAR	Between July 1, YEAR and July 15, YEAR	Announced Start Date+ 14 calendar days
YEAR	Between July 1, YEAR and July 15, YEAR	Announced Start Date+ 14 calendar days

2.2.1 Annual OREC Pre-Sale Eligible Purchasers

Voluntary purchasers including private businesses, such as commercial real estate companies, state entities, hospitals, universities, municipalities, and corporations and organizations such as non-profits with ESG goals, as well as LSEs and Community Choice Aggregations (CCAs) (collectively, "Purchasers"), will be eligible to participate in the NYSERDA OREC Annual Pre-Sales. This approach is in alignment with the potential to mitigate OREC costs to ratepayers by supporting the sale of all ORECs purchased by NYSERDA in the voluntary market.

NYSERDA will hold informational sessions and webinars with specific details for potential purchasers prior to the proposed Annual Pre-Sale. These sessions and webinars will include details about the Pre-Sale and how potential purchasers will be able to register and participate. This is the current approach utilized to inform the market for the sale of Tier 1 RECs. It is anticipated that these efforts would increase due to the anticipated demand for ORECs.

2.2.2 Annual OREC Pre-Sale Inventory

The available inventory for proposed Annual Voluntary Pre-Sale will be the total expected OREC supply minus the quantity needed to fulfill OREC voluntary long-term purchase contracts multiplied by an eligible sale percentage (less than 100%), to help ensure that NYSERDA has sufficient ORECs to fulfill Voluntary ORECs Pre-Sale orders. NYSERDA will coordinate with New York State Department of Public Service (DPS) Staff to review the determination for the eligible sale percentage.

Example:
*Net Annual OREC Inventory = (Total Expected OREC Supply – Long-Term Contract Demand) * Eligible Sale Percentage*

Where:
Long-Term Contract Demand = The forecasted total number of ORECs for that year contracted under long-

term contracts

2.2.3 Annual OREC Pre-Sale Price

The Voluntary OREC Pre-Sale price will be based on the projected net-weighted average cost of ORECs after subtracting the voluntary long-term contract commitments, plus any PSC-approved administrative adder. NYSERDA has the flexibility to transition to an auction process in the future. NYSERDA will have the ability to pursue an auction mechanism that could include variable pricing. It is in the best interest of ratepayers for NYSERDA to have the ability to pursue a potential auction structure that could meet the needs of the market, maximizes voluntary sales, and minimizes ratepayer obligations necessary to achieve the goals of the Climate Act and the CES. NYSERDA will have the ability to both directly offer ORECs for Pre-Sale at the net-weighted average cost to procure or to conduct Pre-Sale auctions as described herein and will seek additional approval for other potential sale mechanisms once they are more fully developed. NYSERDA will have the ability to implement a Pre-Sale auction structure that will sell at or above NYSERDA's forecasted net-weighted average cost to procure ORECs for the upcoming compliance year. Under such a structure, the forecasted OREC price will serve as an auction reserve price for blocks of ORECs that voluntary Purchasers may bid on for a designated period. This auction mechanism will enable NYSERDA to minimize ratepayer impacts from the program by maximizing the potential purchase price for ORECs.

Example:
Net Weighted Average Price = Net Annual OREC Overall Cost / Net Annual OREC Inventory

Where:
Annual OREC Overall Cost = Projected Total Overall Cost – Long-Term Contract Revenue
Net Annual OREC Inventory = (Total Expected OREC Supply – Long-Term Contract Demand)

NYSERDA acknowledges that the actual weighted average cost of ORECs purchased by NYSERDA during the calendar year may differ from its Pre-Sale projection. In determining the Pre-Sale price of ORECs, NYSERDA will sum the projected cost and annual MWhs of compliant energy delivered by the OREC projects to calculate the projected weighted average cost. No reconciliations will be made for the Voluntary OREC Pre-Sale price to the actual weighted average price for purchasers participating in the Pre-Sale. Any revenue or deficit stemming from the Voluntary OREC Pre-Sale will be included during the annual compliance reconciliation process discussed later in this Implementation Plan. This is the same process used for Tier 1 REC Pre-Sale per the Phase 5 Implementation Plan.[6]

2.2.4 Annual OREC Pre-Sale Process

For the Voluntary OREC Pre-Sale, NYSERDA will announce to the market the timing of the Voluntary OREC Pre-Sale, as well as the following information:

- The OREC inventory available for the Pre-Sale;
- The Pre-Sale reserve price at which the ORECs will be offered;
- Potential minimum order quantity or block amounts.

NYSERDA will use the New York Generation Attribute Tracking System (NYGATS) to collect orders from

[6] 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*, (Filed August 30, 2023).

Purchasers that desire to participate in a Pre-Sale. NYSERDA may also evaluate whether an online auction tool should be implemented. Participating Purchasers will be required to agree to the terms and conditions of Pre-Sale when the order is submitted, i.e., at the point of sale.

2.2.5 Annual OREC Pre-Sale Allocation

Similar to the process that was approved by the PSC for Voluntary Tier 1 Sales and Tier 2 REC Re-Sale, NYSERDA will neither limit nor guarantee a minimum number of ORECs to purchasers participating in the Voluntary OREC Annual Pre-Sale process. The OREC Pre-Sale will be a voluntary process, and the ORECs will be purchased to, among other things, back voluntary products/obligations or sustainability claims. Purchases made during the Pre-Sale do not offset LSE compliance obligations under the OREC program.

NYSERDA will allocate the ORECs based upon the following:

- If the total demand for ORECs were to be below the expected Voluntary ORECs Pre-Sale inventory, each Purchaser will be allocated a quantity of ORECs equal to their order quantity; or
- If total demand were to be above the expected OREC inventory, each Purchaser will receive a pro-rata share of ORECs based upon their total order quantity.

2.2.6 Annual OREC Pre-Sale Invoices

Invoices will be distributed within approximately seven (7) business days from the end of each Pre-Sale period. The Purchasers' payment terms will be full payment within thirty (30) calendar days. If the full funds are not transferred to NYSERDA according to the payment terms, NYSERDA reserves the right to cancel the Purchaser's order.

The proceeds from the annual Voluntary OREC Pre-Sale will be considered OREC annual revenue and included in the reconciliation process discussed later in this Implementation Plan.

2.3 Annual OREC Re-Sale

NYSERDA will hold a Voluntary OREC Re-Sale at the end of each compliance year if there is sufficient demand for such and NYSERDA has a sufficient volume of ORECs. At this juncture, NYSERDA believes that the Voluntary OREC Pre-Sale approach would meet the needs of both the prospective market participants and NYSERDA. It is possible that there could be additional sufficient demand for ORECs from voluntary Purchasers after the end of the calendar year. NYSERDA will consult with DPS Staff before initiating any such Voluntary Re-Sales.

If NYSERDA were to hold a Voluntary OREC Re-Sale, the ORECs will be priced at the actual weighted average price incurred by NYSERDA, plus any applicable administrative adder. NYSERDA will use the same sale methodologies for Re-Sale as it will for Pre-Sale as described above, with one substantive difference, i.e., NYSERDA would have the ability to design an auction process that will sell at or above NYSERDA's actual (rather than forecasted) net-weighted average cost to procure ORECs for the compliance year. This auction mechanism will enable NYSERDA to minimize ratepayer impacts from the program by maximizing the potential purchase volume and price for OREC for sale to the voluntary market. Any revenue from the proposed Voluntary OREC Re-Sale will be treated as OREC annual sale revenue and included in the reconciliation process discussed later in this Implementation Plan.

2.4 OREC Transfers

Voluntary OREC transfers via NYGATS from NYSERDA to a voluntary Purchaser's NYGATS account will occur after the OREC compliance year is complete. This proposed process will occur for ORECs under long-term contracts, Annual Pre-Sale purchases, and Annual Re-Sale purchases. Account holders will have fourteen (14) days to accept the pending transfer from NYSERDA per the NYGATS Operating Rules.

2.5 Transferability

NYGATS account holders, including Voluntary Purchasers, will be allowed to transfer Voluntary OREC purchased from NYSERDA. ORECs cannot be transferred outside of NYGATS which is consistent with other programs.

3. Implementation of OREC Load Share Obligation

The Offshore Wind Standard Order requires LSEs to purchase from NYSERDA their load share of the OREC purchased by NYSERDA annually.[7] NYSERDA's process will be based upon the "pay-as-you-go" model that was implemented by NYSERDA beginning with the PSC approval of the ZEC Implementation Plan.[8] Under the "pay-as-you-go" model, a uniform wholesale per MWh charge will be applied to each LSE's actual wholesale load to calculate its monthly OREC obligation payments. Under this process, LSEs will be required to make payments to NYSERDA based on their load share and the quantity and cost of ORECs purchased by NYSERDA each year, less any sales made through the voluntary sales process described earlier in this Implementation Plan. This approach will ensure NYSERDA has the necessary funds to meet its contractual obligations to OREC suppliers while procuring ORECs to fulfill the goals of the CES.

4. Special Participation

The New York Power Authority (NYPA) and Long Island Power Authority (LIPA) are voluntary participants in the CES.

NYPA's activities support the achievement of the CES goals, including through operation of the state's large-scale hydropower assets, its development of transmission and new renewable resources, and by participating in the Zero Emissions Credit program.

LIPA supports the achievement of the CES goals through its own programs and by participating in some NYSERDA-administered CES programs. Similar to LIPA's participation in the Zero Emissions Credit Requirement (ZEC-R), LIPA may participate in OREC through established NYSERDA mechanisms. Voluntary participation in OREC, along with other CES tiers, allows for the equitable allocation of costs associated with the achievement of the Climate Act goals.

NYSERDA, LIPA, and Staff are currently discussing whether LIPA will elect to participate in the Off-Shore Wind (OSW) obligation, as LIPA already does with respect to the ZEC program. To the extent that LIPA agrees to participate, NYSERDA will treat LIPA in a similar manner as IOUs and in the Tier 1 program. Specifically, NYSERDA is aware that LIPA procures RECs through its power purchase agreements with the

[7] Case 18-E-0071, In the Matter of Offshore Wind Energy, *Order Establishing Offshore Wind Standard and Framework for Phase 1 Procurement*, (Issued July 12, 2018), p.29.

[8] Case 15-E-0302, Proceeding on Motion of the Commission to Implement a Large-Scale Renewable Program and a Clean Energy Standard, *Clean Energy Standard Zero Emissions Credit (ZEC) Implementation Plan*, (Filed August 3, 2018).

South Fork offshore wind generator. NYSERDA will "purchase" these RECs from LIPA and add these offshore RECs to the ORECs purchased by NYSERDA to determine the total OREC obligation for all LSEs. This approach allows LIPA to receive credit for their purchase of RECs from the offshore generator, and for the cost of ORECs to be shared amongst all jurisdictional ratepayers, as the environmental attributes these RECs represent are a shared societal benefit. This approach is consistent with the other programs of the CES. NYSERDA willconsult with DPS Staff when determining the purchase price. LIPA will then be required to participate as an LSE and purchase its load ratio share of the ORECs NYSERDA procures. This process is in alignment with the OSW Order. If LIPA elects to participate in the OSW obligation as described, NYSERDA and LIPA will contract for the purchase of the ORECs by NYSERDA from LIPA to effectuate the new process. LIPA also has the option to retain its RECs from the South Fork project and/or purchase ORECs from NYSERDA through a long-term contract or the annual sales. LIPA and NYSERDA, in consultation with DPS Staff, willcontract as necessary to reflect the approach that LIPA may choose.

5. LSE CES-Obligation and Reconciliation

This section includes NYSERDA's process to reconcile LSE obligations under the load share framework set forth in this Implementation Plan. This approach is very similar to the processes currently utilized for reconciliation of other CES Tiers. NYSERDA will execute form contracts with LSEs, as set forth in Appendix A to this implementation plan, that will memorialize the LSE load share obligation requirements described below.

5.1 LSE OREC Obligation

This section addresses how each LSE's initial OREC obligation will be calculated and how LSEs will remit OREC obligation payments. Under the approved method, a uniform wholesale per MWh charge will be applied to each LSE's actual wholesale load to calculate their monthly OREC obligation payments. This "pay-as-you-go" payment methodology was originally adopted through the ZEC Implementation Order.[9] It will provide NYSERDA with necessary operating liquidity to continue to purchase ORECs and provides LSEs with a more uniform payment structure.

5.2 LSE OREC Rate

Each year, NYSERDA will determine, in collaboration with DPS Staff, the dollar per MWh charge (LSE OREC Rate) owed by each LSE for the next compliance year of the OREC program. The LSE OREC Rate will be used by all LSEs and NYSERDA to determine the monthly payment an LSE will be responsible for making to NYSERDA. The LSE OREC Rate will be a wholesale rate that will be applied to the wholesale load data NYSERDA receives from the New York Independent System Operator (NYISO).[10] The cost component of the LSE OREC Rate will be based on the total forecasted cost for NYSERDA to purchase ORECs, including any administrative adder. The load component of the LSE OREC Rate will be based on statewide forecasted load. The LSE OREC Rate to be paid by each LSE for the compliance year will be calculated according to the following formula:

[9] Case 15-E-0302, Proceeding on Motion of the Commission to Implement a Large-Scale Renewable Program and a Clean Energy Standard, *Order Approving Zero-Emissions Credit Implementation Plan with Modifications*, (Issued September 20, 2019).

[10] It should be noted that the LSE OREC Rate is based on wholesale purchases and not retail sales; the wholesale rate must be adjusted to account for delivery losses that occur between the LSE's wholesale purchases from the NYISO and retail sales to customers.

LSE OREC Rate = (NYSERDA's estimated total cost to procure OREC – Long-Term Contract Revenue – OREC Annual Pre-Sale Revenue) / Forecasted statewide electric load [11]

The proposed "pay-as-you-go" payment methodology relies on an LSE's monthly wholesale load requirements for their retail customers. NYSERDA will utilize Version 1[12] of the total LSE load data, as settled by the NYISO each month, as a basis for each LSE's monthly payment to NYSERDA.

An LSE's monthly OREC payment obligation will be calculated using the LSE OREC Rate, the number of MWh the LSE served using the NYISO Version 1 load data, and a Load Modifier Rate, according to the following formula:

*LSE OREC monthly payment obligation = (LSE OREC Rate) * (LSE's Version 1 MWh) * (Load Modifier Rate)*

A final reconciliation will occur in June after the close of each year as described later in this Implementation Plan.

The proposed cost component of the LSE OREC Rate will be the cost for NYSERDA to procure ORECs plus any PSC-approved administrative adder less any revenue made through the voluntary sale process. It should be noted that NYSERDA ORECs can vary in both quantity and price, which introduces a degree of uncertainty. NYSERDA recognizes that with the implementation of index-priced RECs, there could be a variation between the forecasted OREC price and the actual price NYSERDA pays for ORECs. NYSERDA will review the OREC cost estimate forecast with DPS Staff to ensure concurrence, in an effort to minimize the variation between the estimated cost and the actual cost that could be utilized in the annual OREC reconciliation. In short, the cost component of the LSE OREC rate is the estimated cost NYSERDA will be expected to incur to purchase ORECs during the compliance period. Any discrepancies between projected costs and actual costs will be settled during the annual reconciliation process discussed later in this Implementation Plan.

5.2.1 Initial Compliance Year

NYSERDA recognizes that the first OREC project to come online could do so late in a calendar year, which may be prior to the commencement of the purchase and sale obligations under the OREC Form Agreement, creating a stub year. NYSERDA's cost to purchase any ORECs generated in that stub year could be included in the calculation of the LSE ORECs Rate and reconciliation for the *following* year rather than including it in the LSE ORECs Rate and/or the reconciliation of costs for the year the project begins operation. ORECs associated with the stub year will be retired by NYSERDA on behalf New York State ratepayers due to the timing associated with the NYGATS settlement process.

5.2.2 Load Component

This approach will place additional importance on load forecasting, as such forecasts will be used to determine the LSE OREC Rate. If actual statewide load were to be less than the forecasted statewide load

[11] Forecasted statewide electric load is an estimate by NYSERDA and DPS Staff based on information from the *NYISO's Load & Capacity Data Report (NYISO Gold Book)*. https://www.nyiso.com/documents/20142/2226333/2023-Gold-Book-Public.pdf

[12] NYISO Version 1 load data is part of the NYISO settlement process. This is the initial monthly billing period data from the NYISO.

used to determine the LSE OREC Rate, NYSERDA may be short in its collections to purchase ORECs. Conversely, if the actual statewide load were to exceed the forecasted statewide load, excess funds maybe collected by NYSERDA from LSEs.

To provide further process transparency, NYSERDA and DPS Staff will use a published forecast, such as the New York Control Area Baseline Energy and Demand Forecasts that reflects impacts of energy savings programs & behind-the-meter generation, which is published annually in the NYISO's *Load and Capacity Data*, commonly referred to as the Gold Book, as the basis of determining the statewide load component.

5.3 Load Modifier Rate

Each of the IOUs and some of the municipal utilities have load modifiers which are added to their NYISO Version 2 reported load. As part of the ZEC Implementation Plan, NYSERDA conferred with the affected entities and determined that a load modifier rate could be used to adjust their monthly payments to NYSERDA. An annual load modifier rate, based on load modifier generation data from the previous year, will also be applied. In consultation with NYSERDA and DPS Staff, affected LSEs will calculate their load modifier rate prior to the start of each compliance year. Applying the load modifier rate will better estimate the affected entities load, with the goal of reducing reconciliation amounts.

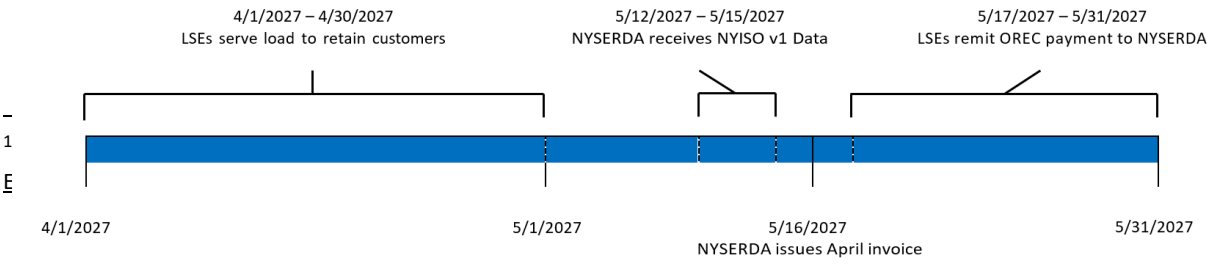
5.4 Notification/Publication

NYSERDA will notify each LSE of the LSE OREC Rate for the upcoming calendar/compliance year as well as any load modifier adjustments and a load modifier rate, if applicable, after it has been calculated by NYSERDA and DPS Staff. This notification will occur after PSC approval of any NYSERDA administrative adder for the compliance year but at least by November 1 prior to the start of the compliance year. NYSERDA will also publish the LSE OREC Rate on the NYSERDA website.

5.5 OREC Obligation Payment Determination

The OREC obligation payment determination will utilize the "pay-as-you-go" payment methodology developed under the ZEC Implementation Plan.[13] This process relies on an LSE's monthly wholesale load requirements for their retail customers. NYSERDA will utilize Version 1 of the total LSE load data, as settled by the NYISO each month, as a basis for each LSE's monthly payment to NYSERDA. NYSERDA typically receives monthly load data from the NYISO on or around the 15th day of the following month. NYSERDA will then determine the LSE's OREC monthly payment obligation to NYSERDA using the formula specified and issue an invoice as depicted in Figure 1. LSEs will submit their payment to NYSERDA within fifteen (15) days from the issuance of the invoice. This proposed "pay- as-you go" method will likely result in LSEs having a varying payment obligation each month.

Figure 1: Timeline for LSE Payment Obligation



5.6 CES-Obligated LSE Reconciliation

The following reconciliation process will occur after the OREC compliance year ends on December 31 each year. NYSERDA will reconcile financial obligations to OREC contracted suppliers. Next, NYSERDA will offset the total financial obligation to OREC contracted suppliers with any OREC Long-Term Contract Revenue, as well as any OREC Annual Pre-Sale or Re-Sale revenue, to determine the net LSE financial obligation. NYSERDA will reconcile the funds collected from each LSE to the net LSE financial obligation necessary to meet their requirement based on the Version 2 load data that is provided from the NYISO and recorded in NYGATS. This load will be adjusted for load modifiers. This reconciliation will account for the actual adjusted statewide load, the actual number of OREC purchased by NYSERDA, the actual price paid by NYSERDA for those OREC, and any OREC revenue from the long-term or annual voluntary sales. NYGATS account holders, including LSEs, will not be allowed to transfer OREC transferred from NYSERDA for compliance purposes as a result of the reconciliation process.

5.7 NYSERDA Agreement with LSEs

In accordance with Order Approving Zero-Emissions Credit 2.0 Implementation Plan and Making Other Findings[14], effective June 12, 2026, the PSC approved the proposed Master LSE Agreement as set forth in the Zero-Emissions Credit (ZEC) 2.0 Implementation Plan and Load-Serving Entity Master Agreement Proposal[15], filed on March 16, 2026. The form Master LSE Agreement includes the LSE's OREC obligation and is attached to this Implementation Plan as Appendix A. ALl LSEs will be required to accept the Master LSE Agreement within ninety (90) days after NYSERDA files with the PSC the final ZEC 2.0 Implementation Plan.

6. Reporting Requirements

ORECs will henceforth be included in NYSERDA's CES progress reports to DPS, including the biennial review, NYSERDA's quarterly and annual financial administrative reporting, and other applicable filings.[16]

[14] Case 15-E-0302, Proceeding on Motion of the Commission to Implement a Large-Scale Renewable Program and a Clean Energy Standard, *Order Approving Zero-Emissions Credits 2.0 Implementation Plan and Making Other Findings*, (Issued June 12, 2026)

[15] Case 15-E-0302, Proceeding on Motion of the Commission to Implement a Large-Scale Renewable Program and a Clean Energy Standard, *Zero-Emissions Credit (ZEC) 2.0 Implementation Plan and Load Serving Entity Master Agreement Proposal*, (Issued March 16, 2026)

[16] Case 18-E-0071, In the Matter of Offshore Wind Energy, *Order Establishing Offshore Wind Standard and Framework for Phase 1 Procurement*, (Issued July 12, 2018), p. 63.

7. Appendix A: Master LSE Agreement

[Attached]

MASTER LOAD SERVING ENTITY PURCHASE AND SALE AGREEMENT

This Master Load Serving Entity Purchase and Sale Agreement (the "Agreement") is made as of [_____], 2026 ("Effective Date") by and between the New York State Energy Research and Development Authority, a public benefit corporation, having a principal business address of 17 Columbia Circle, Albany, New York 12203 ("NYSERDA"), and the Load Serving Entity executing this Agreement below ("LSE Buyer").

NYSERDA and LSE Buyer are each referred to herein as a "Party" and are collectively referred to herein as the "Parties."

RECITALS:

WHEREAS, pursuant to Program Orders (defined below) enacted by the New York State Public Service Commission ("PSC") from time to time, NYSERDA is authorized by the PSC to intermediate transactions to acquire or otherwise monetize Program Assets (defined below) and to collect compensation for such Program Assets from LSE Buyer and other LSEs based on proportional load share;

WHEREAS, pursuant to the Program Orders set forth on Appendix A attached hereto (the "Existing Program Orders"), NYSERDA has entered into certain agreements set forth in Appendix A (the "Legacy Agreements") pursuant to which LSE Buyer is obligated to purchase from, or otherwise make payments to, NYSERDA with respect to the Program Assets set forth in Appendix A (the "Legacy Program Assets");

WHEREAS, from time to time, pursuant to Program Orders, NYSERDA and LSE Buyer may enter into additional arrangements whereby LSE Buyer may purchase from, or otherwise make payment to, NYSERDA with respect to Program Assets under programs conceived after the date hereof ("New Program Assets");

WHEREAS, the Parties, by this Agreement, desire to (i) terminate the Legacy Agreements, (ii) replace and supersede the terms and conditions of such Legacy Agreements with the terms and conditions hereof, and (iii) set forth the terms and conditions applicable to future purchases from, of payments to, NYSERDA by LSE Buyer with respect to New Program Assets; and

[WHEREAS, this form of agreement for the procurement of Program Assets by LSE Buyers from NYSERDA has been approved or otherwise authorized by the PSC.][17]

NOW, THEREFORE, in consideration of the foregoing and of the mutual promises hereinafter set forth, which the Parties agree is sufficient, and the Parties, intending to be legally bound, agree as follows:

DEFINITIONS

2.1 Definitions. In addition to any other terms defined herein, the following terms shall have the meaning ascribed to them below:

[17] Note to Draft: To include reference to approving Order.

(a) "Administrative Adder" means, with respect to any Program Asset Class, the amount of any adder or other charge approved by the PSC to be paid by LSEs to NYSERDA in connection with the Program Assets of such Program Asset Class.

(b) "Agreement" means this Master Load Serving Entity Purchase and Sale Agreement, including Exhibits A (Standard Terms and Conditions for All NYSERDA Agreements); B (NYSERDA Prompt Payment Policy Statement)[18]; Appendix A (Legacy Program Assets); and Appendix B (Form of Program Asset Supplement), all of which are incorporated herein and made part hereof.

(c) "Annual Program Asset Obligation Amount" means, for each Program Asset Class, an amount equal to the product of (A) the sum of (i) the Total Program Asset Net Expenditure for the Program Assets in such Program Asset Class plus (ii) any approved Administrative Adder for such Program Asset Class *multiplied by* (B) the LSE Buyer Load Share as computed for such Program Asset Class. For each Program Asset Class, Annual Program Asset Obligation Amount equals (i+ii)*(B).

(d) "Annual Program Asset Class Settlement Payment" means, with respect to each Program Asset Class, the final settlement payment due to either LSE Buyer or NYSERDA with respect to such Program Asset Class, as calculated at the end of each Compliance Year pursuant to Section 3.8.

(e) "Commencement Date" means, for each Program Asset Class, the date on which the Term for such Program Asset Class commences, as set forth on Appendix A or any Program Asset Supplement.

(f) "Compliance Year" means, for each Program Asset Class, the Compliance Year set forth on Appendix A or any Program Asset Supplement.

(g) "Energy Services Company" or "ESCO" means any eligible competitive energy services company operating in New York State pursuant to the Uniform Business Practices approved by the PSC.

(h) "Load Modifier" means the adjustment made by certain LSEs to account for the fact that NYISO data may not accurately capture the load in New York State served by those LSEs due to some of such load being served other than through the NYISO wholesale market.

(i) "Load Modifier Projection" means the estimated Load Modifier, if any, applicable to the LSE Buyer as determined by NYSERDA in each Compliance Year in accordance with any Program Orders based on information provided by LSE Buyer.

(j) "Load Serving Entity" or "LSE" means any entity or individual that sells retail commodity electricity supply to an end-use customer located in New York State, including any ESCO and each electric distribution company regulated by the PSC, serving in their roles as electric commodity supplier of last resort, jurisdictional municipal utilities, community choice aggregators not otherwise served by an ESCO,

[18] Available at: https://www.nyserda.ny.gov/Funding-Opportunities/Standard-Forms-and-Agreements

customers purchasing power directly from NYISO, and Long Island Power Authority ("LIPA") and the New York Power Authority ("NYPA") to the extent LIPA and NYPA have voluntarily agreed to act as LSEs.

(k) "LSE Buyer Load Share" means, for each Program Asset Class, the percentage of the Total Program Asset Class Electric Load pertaining to such Program Asset Class that is served by LSE Buyer, incorporating any adjustment to NYISO load share data based on the LSE Buyer's Load Modifier (if applicable), during such Compliance Year, applicable to such Program Asset Class.

(l) "Monthly Obligation Payment" means, for each Program Asset Class, the monthly payment due from LSE Buyer to NYSERDA pertaining to such Program Asset Class, calculated as the amount obtained by aggregating the product of (i) the wholesale load served by LSE Buyer for purposes of such Program Asset Class, in MWh, for the applicable month based on NYISO Version 1 data or such other data generally used by NYGATS, as applicable for such Program Asset Class, for similar purposes at such time, as adjusted by the Load Modifier Projection and Program Asset Compensation Factor, if any, applicable to the LSE Buyer, *multiplied by* (ii) the Program Asset Rate applicable to such Program Asset Class.

(m) "NYGATS" means the New York Generation Attribute Tracking System, the tracking system that records electricity generation attribute information within New York State, and processes generation attribute information from energy imported and consumed within New York State, as a basis for creating tradable generation attribute certificates, such as Tier 1 RECs, ORECs, Tier 4 RECs and Zero Emission Credits (ZECs).

(n) "NYGATS Operating Rules" means the rules governing the operation of the NYGATS by NYSERDA and its designated NYGATS Administrator, and the participation in and use of the NYGATS by users. The Operating Rules describe how the system is operated and delineate the roles, requirements and responsibilities of all parties.[19]

(o) "NYISO" means the New York Independent System Operator.

(p) "New York State Public Service Commission" or "PSC" means the commission duly authorized to operate in New York State pursuant to Articles 1 and 2 of the Public Service Law.

(q) "Program Assets" means the assets representing certain environmental attributes (in the form of renewable energy certificates, index storage credits or other similar representations of value) accrued pursuant to the Program Orders, set forth on Appendix A or in any Program Asset Supplement.

(r) "Program Asset Classes" means the categories of Program Assets authorized by Program Orders set forth on Appendix A and any additional category of Program Asset authorized by a Program Order set forth in any Program Asset Supplement.

[19] Available at: https://www.nyserda.ny.gov/All-Programs/Programs/NYGATS/Registration-Documents

(s) "Program Asset Compensation Factor" means any Program Asset Compensation Factor applicable to a Program Asset Class, as set forth on Appendix A or in any Program Asset Supplement.

(t) "Program Asset Rate" means, for any Program Asset Class, the per MWh charge used by all LSEs and NYSERDA for invoicing prior to reconciliation, as calculated by the formula adopted in the Program Order pertaining to such Program Asset Class and as posted on NYSERDA's website, including any Administrative Adder approved by the PSC with respect to the Program Assets in such Program Asset Class.

(u) "Program Asset Supplement" means a supplement attached hereto with respect to a New Program Asset, substantially in the form of Appendix B.

(v) "Program Orders" means the orders of the PSC set forth on Appendix A and on any Program Asset Supplement.

(w) "Total Program Asset Net Expenditure" means, for each Program Asset Class, for any applicable Compliance Year, the total dollars expended by NYSERDA to acquire Program Assets in such Program Asset Class during such Compliance Year minus all revenues received by NYSERDA for such Program Asset Class from Voluntary Sales of Program Assets during such Compliance Year.

(x) "Total Program Asset Class Electric Load" means, for a Program Asset Class, the total electric energy load of New York State served by LSEs participating in such Program Asset Class.

(y) "Voluntary Sales" means any sales by NYSERDA of Program Assets applicable to a Program Asset Class other than sales to purchasers that are not for purposes of compliance with the Program Orders.

TERMINATION OF LEGACY AGREEMENTS

2.1 Termination Effective. The Parties hereby terminate all Legacy Agreements effective as of the date hereof. Effective as of the date hereof, such Legacy Agreements shall no longer have force or effect and all rights and obligations thereunder shall be superseded in their entirety by the rights and obligations of the Parties under this Agreement.

ARTICLE 3 PURCHASE AND SALE OF PROGRAM ASSETS

3.1 New Program Assets. From time to time the PSC may authorize NYSERDA's intermediation of transactions with LSEs with respect to New Program Assets. In such case, the terms and conditions specific to any such New Program Assets shall be set forth in a Program Asset Supplement which shall be attached hereto and incorporated herein by reference. The New Program Assets referenced in any such Program Asset Supplement shall constitute a new Program Asset Class hereunder.

3.2 Payment. Subject to the terms and conditions of this Agreement, LSE Buyer agrees to pay the Annual Program Asset Obligation Amount for Program Assets in each Program Asset Class. LSE Buyer shall pay the Monthly Obligation Payment for the Program Assets in each Program

Asset Class each month in accordance with the provisions below, and the Parties shall carry out the settlement and reconciliation process described in Section 3.8 each Compliance Year.

3.3 Transfer. Upon conclusion of the settlement and reconciliation process described in Section 3.8, NYSERDA will transfer in NYGATS to LSE Buyer all Program Assets that are registered on NYGATS (as indicated on Appendix A with respect to all Legacy Program Assets and on any Program Asset Supplement with respect to any New Program Assets) for which LSE Buyer has provided payment to NYSERDA for purposes of compliance with the Program Orders in accordance with this Agreement. Program Assets not transferred to LSE Buyer in NYGATS shall be handled as set forth on Appendix A with respect to all Legacy Program Assets and on any Program Asset Supplement with respect to any New Program Assets.

3.4 Monthly Invoicing. NYSERDA will provide invoices to the LSE Buyer on a monthly basis for the Monthly Obligation Payments for the Program Assets of all Program Asset Classes.

3.5 Monthly Payments. Payments in the amount of the Monthly Obligation Payments for all Program Asset Classes shall be due to NYSERDA within fifteen (15) days of the invoice date. Any and all payments due to NYSERDA shall be made by wire/ACH payment using electronic banking information provided by NYSERDA. When making payment, LSE Buyer shall include the Customer ID that NYSERDA previously sent to LSE Buyer by e-mail and available in NYGATS.

3.6 Taxes/Fees. NYSERDA shall pay any taxes or other fees, if any, imposed on the creation of Program Assets in NYGATS.

3.7 Term. The purchase and sale obligations under this Agreement with respect to each Program Asset Class shall commence, or already commenced, on the Commencement Date set forth on Appendix A with respect to Legacy Program Assets and on a Program Asset Supplement with respect to any New Program Assets and remain in effect until the date NYSERDA's obligations with respect to such Program Asset Class have expired or been terminated (for each Program Asset Class, the "Program Asset Class Expiration Date"). The term of this Agreement (the "Term") shall commence on the date hereof and shall expire on the last Program Asset Class Expiration Date.

3.8 Annual Settlement. After the required data becomes available following each Compliance Year for each Program Asset Class, the Parties will undertake the following on a timely basis:

(a) NYSERDA shall calculate LSE Buyer's Annual Program Asset Obligation Amount for such Program Asset Class for each applicable Compliance Year based on the NYISO Version 2 of the LSE load data or such other data generally used by NYGATS for similar purposes at such time for such Program Asset Class.

(b) Should the aggregate amount of Monthly Obligation Payments paid by LSE Buyer in a Compliance Year for any Program Asset Class exceed the Annual Program Asset Obligation Amount for that Compliance Year for such Program Asset Class, NYSERDA shall pay LSE Buyer the difference between such amounts.

(c) Should the aggregate amount of Monthly Obligation Payments paid by LSE Buyer in a Compliance Year for any Program Asset Class be less than the Annual Program Asset

Obligation Amount for that Compliance Year for such Program Asset Class, LSE Buyer shall pay NYSERDA the difference between such amounts within 30 days of invoice from NYSERDA.

3.9 Netting and Set-Off. If at any time during the term of this Agreement there is a written agreement between the Parties pursuant to which NYSERDA pays LSE Buyer for Program Assets ("Other Program Asset Agreement"), as set forth in Appendix A with respect to Legacy Program Assets and on any Program Asset Supplement with respect to any New Program Assets, the Parties agree that, pursuant to any requirements set forth in such Other Program Asset Agreement, amounts due from LSE Buyer to NYSERDA hereunder may be set off or netted against payments due from NYSERDA to LSE Buyer under such Other Program Asset Agreement. No such netting or set-off shall cause amounts due from LSE Buyer to NYSERDA hereunder to be less than zero dollars ($0).

ARTICLE 4 REPRESENTATIONS AND WARRANTIES

4.1 NYSERDA Representations and Warranties. NYSERDA hereby represents and warrants to LSE Buyer as follows:

(a) NYSERDA has and, at all times during the Term will have, all necessary power and authority to execute this Agreement and to perform its obligations hereunder.

(b) The execution of and performance under this Agreement by NYSERDA has been duly authorized by all necessary action and does not violate any of the terms or conditions of NYSERDA governing documents, or any contract to which it is a party, or any law, rule, regulation, order, judgment or other legal or regulatory determination applicable to NYSERDA. This Agreement constitutes the valid and binding obligation of NYSERDA enforceable against it in accordance with its terms, subject to the effects of bankruptcy, insolvency, reorganization, moratorium and similar laws affecting enforcement of creditors' rights and remedies generally and to general principles of equity.

(c) There is no pending or (to NYSERDA's knowledge) threatened litigation, arbitration or administrative proceeding that materially adversely affects NYSERDA's ability to perform its obligations under this Agreement.

(d) The payments made by LSE Buyer to NYSERDA hereunder shall be made for compliance under applicable Program Orders.

(e) EXCEPT AS EXPRESSLY SET FORTH IN THIS AGREEMENT, NYSERDA EXPRESSLY DISCLAIMS ANY OTHER REPRESENTATIONS OR WARRANTIES, WHETHER WRITTEN OR ORAL, AND WHETHER EXPRESS OR IMPLIED INCLUDING, WITHOUT LIMITATION, ANY REPRESENTATION OR WARRANTY WITH RESPECT TO CONFORMITY TO MODELS OR SAMPLES, MERCHANTABILITY, OR FITNESS FOR ANY PARTICULAR PURPOSE.

4.2 LSE Buyer Representations and Warranties. LSE Buyer hereby represents and warrants to NYSERDA as follows:

(a) LSE Buyer is duly organized, validly existing and in good standing and has the requisite

power and authority to own, lease and operate its properties and to carry on its business as being conducted on the Effective Date. LSE Buyer has, and at all times during the Term will have, all necessary power and authority to execute this Agreement and to perform its obligations hereunder.

(b) The execution of and performance by LSE Buyer under this Agreement has been duly authorized by all necessary action and does not violate any of the terms or conditions of LSE Buyer's governing documents, or any contract to which it is a party, or any law, rule, regulation, order, judgment or other legal or regulatory determination applicable to LSE Buyer. This Agreement constitutes the valid and binding obligation of the LSE Buyer enforceable against it in accordance with its terms, subject to the effects of bankruptcy, insolvency, reorganization, moratorium and similar laws affecting enforcement of creditors' rights and remedies generally and to general principles of equity.

(c) There is no pending or (to LSE Buyer's knowledge) threatened litigation or administrative proceeding against LSE Buyer that materially and adversely affects LSE Buyer's ability to perform its obligations under this Agreement.

(d) LSE Buyer has, and at all times during the Term will use reasonable efforts to maintain, the financial capability to perform its obligations hereunder.

(e) LSE Buyer is an Account Holder as defined in the NYGATS Operating Rules.

ARTICLE 5 EVENTS OF DEFAULT

5.1 Events of Default . For purposes of and during the Term, each of the following shall constitute an event of default ("Event of Default") by a Party:

(a) if a Party materially breaches any or all of its obligations as described in this Agreement and such breach is not cured within fifteen (15) Business Days of written notice of such breach from the other Party;

(b) if any representation or warranty made by a Party in Article 4 of this Agreement proves to have been misleading or false in any material respect when made; and/or

(c) if a Party:

(i) makes an assignment or any general arrangement for the benefit of its creditors;

(ii) files a petition or otherwise commences, authorizes or acquiesces in the commencement of a proceeding or cause under any bankruptcy or similar law for the protection of creditors, or has such a petition filed against it;

(iii) otherwise becomes bankrupt or insolvent (however evidenced); or

(iv) becomes unable to pay its debts as they become due.

ARTICLE 6 REMEDIES UPON DEFAULT

6.1 Remedies. Upon an Event of Default, the non-defaulting Party may (a) terminate this Agreement upon written notice to the defaulting Party, (b) withhold any payments due in respect of this Agreement, (c) set off any payments due against any other credits or payments under other agreements between the Parties, (d) withhold the transfer of Program Assets to the defaulting Party, and/or (e) exercise its legal rights to secure payment of amounts due and owing to the non-defaulting Party by the defaulting Party. Notices by LSE Buyer pursuant to this section shall be served on NYSERDA and the PSC. NYSERDA may enforce this Agreement and pursue the collection of any unpaid portion of any Monthly Obligation Payment, Annual Program Asset Settlement Payment or any other amounts due to NYSERDA under this Agreement by referring the matter to the New York State Attorney General or by any other legal means.

6.2 Cumulative Remedies. All rights and remedies available to the non-defaulting Party under this Agreement are cumulative and may be exercised concurrently or separately, and the exercise of any one right or remedy shall not be deemed a waiver of any other right or remedy provided herein or by law.

6.3 No Waiver. Failure by either Party to enforce any provision of this Agreement or to exercise any right or remedy in the event of default shall not constitute a waiver of that or any other provision, right, or remedy.

6.4 Exclusive Remedy. The remedies set forth in this Article 6 shall be the sole and exclusive remedies of the respective parties in the event of a default, and a party's liability shall be limited as set forth in this section. All other remedies or damages at law are hereby waived.

6.5 Limitation of Liability . In the event of a default, the defaulting Party's liability shall be limited as set forth herein. In no event shall any other liability be incurred by either Party for any obligations that arise under this Agreement, including (but not limited to) liability for consequential, incidental, punitive, exemplary, or indirect damages in tort, contract, or otherwise.

ARTICLE 7 NOTICES

7.1 Notices .

(a) All notices, requests, consents, approvals and other communications which may or are required to be given by either party to the other under this Agreement shall be in writing and shall be transmitted either:

(1) via certified or registered United States mail, return receipt requested;

(2) by personal delivery;

(3) by expedited delivery service; or

(4) by e-mail, return receipt requested.

Such notices shall be addressed as follows, or to such different addresses as the parties may from time-to-time designate as set forth in paragraph (c) below:

To LSE Buyer:	At address, electronic mail addresses confirmed through prior communications
To NYSERDA:	NYSERDA Attn: Office of the General Counsel 17 Columbia Circle Albany, New York 12203-6399 Email address: ceslegal@nyserda.ny.gov
With a copy to:	NYSERDA Attn: Large Scale Resources 17 Columbia Circle Albany, New York 12203-6399 Email address: ces@nyserda.ny.gov
To PSC:	PSC Attn: Secretary to the Commission New York Public Service Commission Agency Building 3 Albany, New York 12223-1350 Email address: secretary@dps.ny.gov

(b) Any such notice shall be deemed to have been given either at the time of personal delivery or, in the case of expedited delivery service or certified or registered United States mail, as of the date of first attempted delivery at the address and in the manner provided herein, or in the case of facsimile transmission or email, upon receipt of an email acknowledgement of receipt.

(c) The parties may, from time to time, specify any new or different address in the United States as their address for purpose of receiving notice under this Agreement by giving written notice to the other party sent in accordance herewith. The parties agree to mutually designate individuals as their respective representatives for the purposes of receiving notices under this Agreement. Additional individuals may be designated in writing by the parties for purposes of implementation and administration/billing, resolving issues and problems and/or for dispute resolution.

ARTICLE 8 MISCELLANEOUS

8.1 Force Majeure . Neither party hereto shall be liable for any failure or delay in the performance of its respective obligations hereunder if and to the extent that such delay or failure is due to a cause or circumstance beyond the reasonable control of such party, including, without limitation, acts of God or the public enemy, expropriation or confiscation of land or facilities, compliance with any law, order or request of any Federal, State, municipal or local governmental authority, acts of war, rebellion or sabotage or damage resulting therefrom, fires, floods, storms, explosions, accidents, riots, or strikes. In the event that such failure or delay occurs, the claiming Party shall notify the other Party of the occurrence thereof as soon

as possible, shall use reasonable efforts to resume performance as soon as possible, and shall regularly consult with the other Party during the pendency of the force majeure event. In the event that the force majeure event lasts more than forty-five (45) days, NYSERDA may terminate this Agreement with no further obligation or liability to LSE Buyer other than to transfer to LSE Buyer for purposes of compliance with applicable Program Orders any Program Assets for which LSE Buyer has made payment prior to termination.

8.2 Severability . If any provision of this Agreement shall be declared by any court of competent jurisdiction to be illegal, void or unenforceable, all other provisions of this Agreement shall not be affected and shall remain in full force and effect. If any provision of this Agreement is so broad as to be unenforceable, that provision shall be interpreted to be only so broad as will enable it to be enforced.

8.3 Waiver . No delay or omission by a Party in the exercise of any right under this Agreement shall be taken, construed or considered as a waiver or relinquishment thereof, and any such right may be exercised from time to time and as often as may be deemed expedient. If any of the terms and conditions hereof are breached and thereafter waived by a Party, such waiver shall be limited to the particular breach so waived and is not deemed to waive any other breach hereunder.

8.4 Forward Contract . Each Party represents and warrants to the other that it is a "forward contract merchant" within the meaning of the United States Bankruptcy Code, that this Agreement is a "forward contract" within the meaning of the United States Bankruptcy Code, and that the remedies identified in this Agreement shall be "contractual rights" as provided for in 11 U.S.C. § 556 as that provision may be amended from time to time.

8.5 Assignment . Except as specifically provided otherwise in this Section 8.5, the assignment, transfer, conveyance, subcontracting or other disposal of this Agreement or any of the LSE Buyer's rights, obligations, interests or responsibilities hereunder, in whole or in part, without the express consent in writing of NYSERDA shall be void and of no effect as to NYSERDA. Such consent shall not be unreasonably withheld. Either Party may, upon written notice, assign its rights and obligations hereunder, or transfer such rights and obligations by operation of law, to any entity with which or into which such Party shall merge or consolidate or to which such Party shall transfer all or substantially all of its assets, provided that such other entity agrees to be bound by the terms hereof and provided further, that such other entity's creditworthiness is comparable to or higher than that of such Party at the time this Agreement was executed and such Party is not relieved of any obligation or liability hereunder as a result of such assignment.

8.6 Entire Agreement; Amendment . This Agreement embodies the entire agreement and understanding between NYSERDA and the LSE Buyer and, excepting any reconciliation process pertaining to Program Assets provided for by prior agreement supersedes all prior agreements and understandings relating to the subject matter hereof, including but not limited to the Legacy Agreements and any other prior agreement between the Parties regarding the purchase and sale of Program Assets. Except as otherwise expressly provided for herein, this Agreement may be amended, modified, changed, waived, discharged or terminated only by an instrument in writing, signed by the party against which enforcement of such amendment, modification, change, waiver, discharge or termination is sought.

8.7 All Legal Provisions Deemed Included . It is the intent and understanding of LSE Buyer and

NYSERDA that each and every provision of law required by the laws of the State of New York to be contained in this Agreement shall be contained herein, and if, through mistake, oversight or otherwise, any such provision is not contained herein, or is not contained herein in correct form, this Agreement shall, upon the application of either NYSERDA or the Seller, promptly be amended so as to comply strictly with the laws of the State of New York with respect to the inclusion in this Agreement of all such provisions.

8.8 Governing Law/Venue . This Agreement shall be governed by, and construed in accordance with the laws of the State of New York applicable to contracts executed and to be performed in New York State without regard to its conflicts of laws principles. The parties irrevocably acknowledge and accept that all actions arising under or relating to this Agreement, and the transactions contemplated hereby and thereby shall be brought exclusively in a United States District Court or New York State Court located in Albany, New York having subject matter jurisdiction over such matters, and each of the Parties hereby consents to and accepts such personal jurisdiction of, and waives any objection as to the laying of venue in, such courts for purposes of such action.

8.9 Headings . The Article and Section titles in this Agreement are only for purposes of convenience and do not form a part of this Agreement and will not be taken to qualify, explain or affect any provision thereof.

8.10 No Third Party Beneficiaries . Nothing herein is intended to or should be construed to create any rights of any kind whatsoever in third persons not parties to this Agreement.

8.11 Freedom of Information Law . Seller acknowledges that NYSERDA is subject to and must comply with the requirements of New York's Freedom of Information Law ("FOIL;" see Public Officers' Law Article 6); 21 NYCRR Part 501. The FOIL Law (Public Officers Law § 87(d)(2)) provides an exception to disclosure for records or portions thereof for numerous reasons, including but not limited to protected material that "are trade secrets or are submitted to an agency by a commercial enterprise or derived from information obtained from a commercial enterprise and which if disclosed would cause substantial injury to the competitive position of the subject enterprise." If NYSERDA receives a request from a third party for information or a document received from Seller and which has been marked "Confidential" or "Proprietary," NYSERDA will process such request under the procedures provided by NYSERDA's FOIL regulations (21 NYCRR Part 501).

8.12 Claim of Confidentiality . Information of any tangible form including any document that LSE Buyer wishes to be protected from disclosure to third parties, including this Agreement must be marked "Confidential" or "Proprietary" at the time such information is provided to NYSERDA. Notwithstanding the foregoing, NYSERDA shall be permitted to report to the New York State Department of Public Service through its Records Access Officer seeking confidential treatment as appropriate, as to the amounts received from LSE Buyer with respect to Program Assets as against the total due each month and on LSE Buyer's compliance or non-compliance, generally, with the terms of this Agreement.

8.13 Electronic Execution . LSE Buyer acknowledges, confirms and agrees that any signature (including any electronic symbol or process attached to, or associated with, this Master Load Serving Entity Purchase and Sale Agreement or other record and adopted by LSE Buyer with

the intent to sign, authenticate or accept such contract or record hereto or to any other certificate, agreement or document necessary to this transaction shall have the same legal validity and enforceability as a manually executed signature or use of a paper-based recordkeeping system to the fullest extent permitted by applicable law, including the Federal Electronic Signatures in Global and National Commerce Act, the New York State Electronic Signatures and Records Act, and the parties hereby waive any objection to the contrary.

[Signature page follows]

NEW YORK STATE ENERGY RESEARCH
AND DEVELOPMENT AUTHORITY

By:_____
Name:
Title

LSE BUYER

[NAME]

By:_____
Name:
Title:

APPENDIX A

Legacy Program Assets

Tier 1 RECs

- **Legacy Agreement**:
    - Tier 1 Renewable Energy Certificate Purchase and Sale Agreement via the Phase 5 Implementation Plan filed on August 30, 2023
  - **Program Orders**
    - Order Adopting a Clean Energy Standard (08/01/2016)
    - Order Adopting Modifications to the Clean Energy Standard (10/15/2020)
    - Order Modifying Clean Energy Standard Tier 1 Obligation (04/20/2023)
- **Program Assets**
    - Renewable energy certificates generated by NYGATS representing the environmental attributes associated with electrical energy produced by Tier 1 eligible electric generation sources. Each Tier 1 REC represents the environmental attributes associated with one (1) megawatt-hour of electrical energy.
- **Registration on NYGATS / Approach to Transfer/Retirement**
    - Certificates are registered in NYGATS and transferred in NYGATS by NYSERDA to LSE Buyer.
- **Commencement Date**
    - LSE Buyer's obligations under the load share approach commenced January 2025.
- **Compliance Year**
    - Calendar (January 1 through December 31)
- **Program Asset Class Expiration Date**
    - No fixed date set at this time. NYSERDA's obligations will expire / terminate once all NYSERDA's contracts to acquire Tier 1 RECs have expired or been terminated.
  - **Program Asset Compensation Factor**
    - The Program Asset Compensation Factor means a mechanism used by affected LSEs to reduce the monthly obligations and overall reconciliation amounts by accounting for their Tier 1 VDER REC contributions. The Program Asset Compensation Factor will be no less than zero (0).
  - **Other Program Asset Agreement (Yes/No)**
    - Yes
  - **Voluntary Sales (Yes/No)**
    - Yes

ORECs

- **Legacy Agreement**
    - Offshore Wind Renewable Energy Certificate Purchase and Sale Agreement as approved by the Order Approving Offshore Wind Implementation Plan filed on February 13, 2026
- **Program Orders**
    - Order Establishing Offshore Wind Standard and Framework for Phase 1 Procurement (07/12/2018)
    - Order Approving Offshore Wind Implementation Plan (02/13/2026)
- **Program Assets**
    - Renewable energy certificates generated by NYGATS representing the environmental attributes associated with electrical energy produced by OREC eligible electric generation sources. Each OREC represents the environmental attributes associated with one (1) megawatt-hour of electrical energy.
- **Registration on NYGATS / Approach to Transfer/Retirement**
    - Certificates are registered in NYGATS and transferred in NYGATS by NYSERDA to LSE Buyer.
- **Commencement Date**
    - No fixed commencement date at this time. LSE Buyer's obligations will commence once NYSERDA begins to purchase ORECs.
- **Compliance Year**
    - Calendar (January 1 through December 31)
- **Program Asset Class Expiration Date**
    - No fixed date set at this time. NYSERDA’s obligations will expire / terminate once all NYSERDA’s contracts to acquire ORECs have expired or been terminated.
- **Program Asset Compensation Factor**
    - N/A
- **Other Program Asset Agreement (Yes/No)**
    - No
- **Voluntary Sales (Yes/No)**
    - Yes

Tier 4 RECs

- **Legacy Agreement**
    - Tier 4 Renewable Energy Certificate Purchase and Sale Agreement via the Tier 4 Implementation Plan filed on June 13, 2025

- **Program Orders**
    - Order Adopting Modification to the Clean Energy Standard (10/15/2020)
    - Order Approving Tier 4 Implementation Plan (05/16/2025)
- **Program Assets**
    - Renewable energy certificates generated by NYGATS representing the environmental attributes associated with electrical energy produced by Tier 4 eligible electric generation sources. Each Tier 4 REC represents the environmental attributes associated with one (1) megawatt-hour of electrical energy.
- **Registration on NYGATS / Approach to Transfer/Retirement**
    - Certificates are registered in NYGATS and transferred in NYGATS by NYSERDA to LSE Buyer.
- **Commencement Date**
    - LSE Buyer's obligations commenced January 2026.
- **Compliance Year**
    - Calendar (January 1 through December 31)
- **Program Asset Class Expiration Date**
    - No fixed date set at this time. NYSERDA's obligations will expire / terminate once all NYSERDA's contracts to acquire Tier 4 RECs have expired or been terminated.
- **Program Asset Compensation Factor**
    - N/A
- **Other Program Asset Agreement (Yes/No)**
    - No
- **Voluntary Sales (Yes/No)**
    - Yes

ZECs

- **Legacy Agreement**
    - Zero-Emissions Energy Certificates Procurement Payments Agreement via the Final Zero Emissions Implementation Plan filed on October 21, 2019
- **Program Orders**
    - Order Adopting a Clean Energy Standard (08/01/2016) (the program, as established in 2016 to expire in 2019, "ZEC 1.0")
    - Order Approving Cost Recovery, Standardized Agreements and Backstop Principals (11/17/2016)

- Order Approving Zero-Emissions Credit Implementation Plan with Modifications (09/20/2019)
- Order Extending Zero-Emissions Credit Program (1/22/2026) (the program, as extended in 2026 to commence in 2029, "ZEC 2.0")

- **Program Assets**
  - Zero-emissions certificates generated by NYGATS evidencing ZECs derived from the energy production of megawatt hours by ZECR-eligible electric generation sources. Each ZEC, as reflected in a ZEC Certificate, represents the energy production of one (1) megawatt-hour.
- **Registration on NYGATS /Approach to Transfer/Retirement**
  - Certificates registered on NYGATS, and NYSERDA retires the ZECs on behalf of LSE Buyer and other LSEs.
- **Commencement Date**
  - LSE Buyer's obligations under ZEC 1.0 commenced in 2020. LSE Buyer's obligations under ZEC 2.0 will commence on April 1, 2029.
- **Compliance Year**
  - Fiscal (April – March) until 2029.
  - Stub year from April 2029 to December 2029.
  - Transition to Calendar (January 1 through December 31) in 2030.
- **Program Asset Class Expiration Date**
  - ZEC 1.0: March 31, 2029
  - ZEC 2.0: December 31, 2049
- **Program Asset Compensation Factor**
  - N/A
- **Other Program Asset Agreement (Yes/No)**
  - No
- **Voluntary Sales (Yes/No)**
  - Yes

CDG H-Value RECs

- **Legacy Agreement**
  - CDG H-Value LSE Form Agreement via the CDG H-Value Implementation Plan filed on April 20, 2025
- **Program Orders**

        - Order Approving Compensation for Hydroelectric Baseline Generating Facilities (10/17/2024)

- **Program Assets**
    - Renewable energy certificates from eligible baseline hydroelectric facilities that are community distributed generation projects.

- **Registration on NYGATS/Approach to Transfer/Retirement**
    - Certificates are registered in NYGATS, and Investor Owned Utilities retire the CDG H Value RECs on behalf of LSE Buyer and other LSEs. NYSERDA never takes possession of these Certificates.

- **Commencement Date**
    - LSE Buyer's obligations will commence January 2028.

- **Compliance Year**
    - Calendar (January 1 through December 31)

- **Program Asset Class Expiration Date**
    - No fixed date set at this time. NYSERDA's obligations will expire / terminate once all NYSERDA's contracts to acquire CDG H-Value RECs have expired or been terminated.

- **Program Asset Compensation Factor**
    - Program Asset Compensation Factor means a mechanism used by affected LSEs to reduce the monthly obligations and overall reconciliation amounts by accounting for their contracted CDG H-Value quantities. The CDG H-Value Compensation Factor will be no less than zero (0).

- **Other Program Asset Agreement (Yes/No)**
    - Yes

- **Voluntary Sales (Yes/No)**
    - No

Bulk Energy Storage ISCs

- **Legacy Agreement**
    - Bulk Energy Storage (BES) LSE Form Agreement via the Bulk Energy Storage Implementation Plan filed on April 18, 2025.

- **Program Orders**
    - Order Establishing Updated Energy Storage Goal and Development Policy (06/20/2024)
    - Order Approving Bulk Implementation Plan with Modifications (03/21/2025)

- **Program Assets**

    Index Storage Credit (ISC) incentives based upon the Megawatt-hours that a bulk energy

storage facility is deemed operational and available for discharge.

- **Registration on NYGATS /Approach to Transfer/Retirement**
    - ISCs are financial instruments tracked separately in NYSERDA's Salesforce application. As such, ISCs are not registered, transferred or retired.
- **Commencement Date**
    - No fixed commencement date at this time. LSE Buyer's obligations will commence once NYSERDA begins to purchase ISCs.
- **Compliance Year**
    - Calendar (January 1 through December 31)
- **Program Asset Class Expiration Date**
    - No fixed date set at this time. NYSERDA's obligations will expire / terminate once all NYSERDA's contracts to acquire ISCs have expired or been terminated.
- **Program Asset Compensation Factor**
    - N/A
- **Other Program Asset Agreement (Yes/No)**
    - No
- **Voluntary Sales (Yes/No)**
    - No

APPENDIX B

Form of Program Asset Supplement

This Program Asset Supplement supplements the terms and conditions of the Master Load Serving Entity Purchase and Sale Agreement, dated as of [_____] (the "Agreement") and is incorporated into the Agreement by reference.

Name of Program Asset Class

- **Program Orders**
    -
    - **Program Assets**
        -
- **Registration on NYGATS /Approach to Transfer/Retirement**
    -
    - **Commencement Date**
        -
- **Compliance Year**
    -
    - **Program Asset Class Expiration Date**
        -
    - **Program Asset Compensation Factor**
        -
    - **Other Program Asset Agreement (Yes/No)**
        -
    - **Voluntary Sales (Yes/No)**
        -

EXHIBIT A

Standard Terms and Conditions for All NYSERDA Agreements

[To be attached.]

EXHIBIT B

NYSERDA Prompt Payment Policy Statement

[To be attached.]