STATE OF NEW YORK
PUBLIC SERVICE COMMISSION

At a session of the Public Service Commission held in the City of Albany on June 11, 2026

COMMISSIONERS PRESENT:

Rory M. Christian, Chair
James S. Alesi
David J. Valesky
John B. Maggiore
Uchenna S. Bright
Denise M. Sheehan
Radina R. Valova

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 2.0 IMPLEMENTATION PLAN AND MAKING OTHER FINDINGS

(Issued and Effective June 12, 2026)

BY THE COMMISSION:

INTRODUCTION

On January 22, 2026, the Public Service Commission (Commission) issued the ZEC 2.0 Order extending, with modifications, the existing Zero-Emissions Credit (ZEC) Program that compensates the State’s operating nuclear facilities for the environmental attributes associated with their generation (ZEC 1.0 Program), through 2049 (ZEC 2.0 Program).[1] As part of the ZEC 2.0 Order, the Commission directed the New York State Energy Research and Development Authority (NYSERDA), in consultation with Department of Public Service staff (Staff), to

[1] Case 15-E-0302, Order Extending Zero-Emissions Credit Program (issued January 22, 2026) (ZEC 2.0 Order).

file for Commission consideration an updated Implementation Plan setting forth the processes and mechanisms of the ZEC 2.0 Program as adopted by the Commission. On March 16, 2026, NYSERDA and Staff filed a proposed ZEC 2.0 Implementation Plan and Load Serving Entity Master Agreement Proposal (Implementation Plan). The Implementation Plan provides details on the administration of the ZEC 2.0 Program, including but not limited to: (1) eligibility requirements; (2) the formula used to calculate the price for ZECs; (3) modifications to the ZEC 1.0 Program's Tranche structure; (4) updates to NYSERDA's existing methodology for allocating ZEC program costs to load-serving entities (LSEs) based on proportional share of statewide load; and (5) a proposed periodic review. The Implementation Plan also proposes authorization for NYSERDA to conduct sales of ZECs to the voluntary market. The Implementation Plan further proposes to consolidate various LSE agreements for individual Clean Energy Standard (CES) programs (including the ZEC program) with a single LSE Obligation Master Agreement (Master Agreement).

In this Order, the Commission approves the Implementation Plan, with modifications, and directs NYSERDA to file a final ZEC 2.0 Program within 30 days of the effective date of this Order, as discussed herein.

SUMMARY OF FILING

The Implementation Plan sets forth the mechanics of the ZEC 2.0 Program, including programmatic details such as eligibility requirements and the ZEC price formula, guidance regarding cost recovery, and details on the sale of ZECs on the voluntary market, and other matters.

ZEC 2.0 Program Mechanics

The Implementation Plan includes eligibility requirements for existing and operating nuclear generating facilities in New York to be eligible to participate in the ZEC 2.0 program, as approved in the ZEC 2.0 Order. The Implementation Plan sets forth the Tranche schedule for the ZEC 2.0 Program, which will begin with a Tranche 7 "stub period" running from April 2029 through December 2029 to align the program with the calendar year, and thereafter be administered in two-year Tranches.

The Implementation Plan details the formula for calculating ZEC prices for the ZEC 2.0 Program, which generally follows the existing formula with some updates. Specifically, the ZEC Price (in dollars per megawatt-hour (MWh), or $$/MWh) in a given compliance year is calculated as: (1) the Social Cost of Carbon (SCC), minus (2) the Baseline Regional Greenhouse Gas Initiative Effect, minus (3) the amount that Zone A Forecast Energy Price and Rest of State (ROS) Forecast Capacity Price combined exceeds a $39/MWh "Reference Price."

As directed by the ZEC 2.0 Order, the Implementation Plan updates the SCC component to utilize values from the New York State Department of Environmental Conservation's (NYSDEC) 2023 Value of Carbon Guidelines and maintain a discount rate of three percent. In accordance with the ZEC 2.0 Order, the Implementation Plan also includes a proposed update to the ZEC price formula's Conversion Factor adjustment. For the ZEC 1.0 Program, SCC figures for each Tranche were converted from dollars per short ton to $$/MWh using a fixed Conversion Factor of 0.53846 short tons per MWh, which was then adjusted downward by 0.00491 for every additional 1,000,000 MWh of renewable energy generation in New York to reflect a "cleaner" resource mix. For the ZEC 2.0 Program, NYSDEC SCC amounts would be converted from 2020 dollars to the relevant years of the calculation and converted to $$/MWh using a fixed Conversion Factor of 0.553 short tons per MWh. To remain consistent with the existing program, adjustments to the Conversion Factor would continue to utilize the 0.00491 amount per 1,000,000 MWh of additional renewable generation measured over an annual period. To maintain the stability of the program, the Implementation Plan proposes to cap the maximum change per review period (i.e., four years) at 3,000,000 MWh. The Implementation Plan also provides that renewable generation levels from Tier 1 of the CES program (or equivalent in the event of a change to the Tier 1 program or definition) will be used in the adjustment calculation.

Regarding the ZEC price formula's downward-only adjustment (based on forecast energy and capacity prices), the Implementation Plan provides that Staff will continue using data sources from the Intercontinental Exchange to calculate the forecasted NYISO Zone A energy prices and ROS capacity prices, and continue monitoring options for appropriate data sources to calculate forecast energy and capacity prices for the ZEC 2.0 formula. The current ZEC price formula includes an adjustment to the $39/MWh Reference Price, reflecting the difference in revenue that eligible nuclear facilities actually receive when they sell their power "at the bus" compared to the average revenue received for NYISO Zone A (the Basis Differential). Under this formula, starting with Tranche 4, the $39/MWh Reference Price threshold would be adjusted for any deviation from the $6/MWh in the historic Basis Differential that exceeded $1/MWh. The Implementation proposes that, for the ZEC 2.0 Program, during every periodic review, the Basis Differential adjustment would be calculated as the difference between: (1) the actual historic $$/MWh difference between the average Zone A day-ahead energy price and the individual average generator bus day-ahead energy prices for the four nuclear plants (weighted based on their energy output) over the period being used to calculate the Basis Differential; and (2) $6/MWh. Each Basis Differential calculation would use a four-year period of actual average Zone A day-ahead energy prices and individual generator bus day-ahead energy prices using NYISO data for the four calendar years preceding the year in which the adjustment is being calculated.

Periodic Review

In accordance with the ZEC 2.0 Order, the Implementation Plan includes a proposed periodic review by Staff, in consultation with NYSERDA, that begins on January 31, 2033 (i.e., prior to Tranche 10) and occurs thereafter in four-year intervals, with corresponding reviews beginning in January 2037, 2041, and 2045, respectively. The review process will include Staff's assessment of past and anticipated facility costs and revenues including past and anticipated capital expenditures to continue safely and reliably operating the facilities and capture the value of their environmental attributes. Separate from this assessment, the periodic review process would include the Basis Differential and Conversion Factor adjustments as described above. Staff will also examine the availability of federal and/or other tax credits, grants, or financing, and/or third-party power purchase agreements that could help offset some of the costs associated with the ZEC 2.0 Program.

ZEC Voluntary Sales

In accordance with the ZEC 2.0 Order, the Implementation Plan proposes to allow NYSERDA to offer ZECs for sale to the voluntary market which would help defray the cost of the ZEC Program to New York ratepayers. Voluntary ZEC sales would only be conducted if NYSERDA and Staff determine it is in the interest of ratepayers. The voluntary ZEC sales framework would mirror the existing voluntary Renewable Energy Credit (REC) sale structure used in NYSERDA's Phase 5,[2] CES Tier 4,[3] and Offshore Wind Implementation Plans.[4] The framework would consist of three mechanisms: (1) Long-Term Contracts where NYSERDA may enter into long-term voluntary contracts with creditworthy counterparties for specified ZEC volumes with pricing based on NYSERDA's net weighted average cost to procure ZECs; (2) Annual Pre-Sales which would be conducted in advance of each ZEC 2.0 Program compliance year using a forecasted net weighted average price and a percentage of forecasted ZEC volumes for the upcoming compliance year; and (3) Annual Re-Sale which would be conducted after the close of the compliance year, with pricing based on NYSERDA's actual net weighted average cost of ZECs from that compliance year. Any ZECs not sold through Long-Term Contracts or the Pre-Sale would be included in the Re-Sale. ZECs not sold to the voluntary market would become the LSE obligation for that compliance year.

The Implementation Plan further proposes authorizing NYSERDA and Staff to carry out a ZEC auction program that deviates from prior voluntary REC sale approaches if NYSERDA and Staff determine it is in the interest of ratepayers. Specifically, under this proposed auction program, NYSERDA would offer ZECs to the voluntary market through a competitive process, with the ZEC price set based on competition rather than

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[2] Case 15-E-0302, Phase 5 Implementation Plan (filed August 30, 2023).

[3] Case 15-E-0302, NYSERDA Clean Energy Standard Tier 4 Implementation Plan (filed June 13, 2025).

[4] See Case 15-E-0302, Order Approving Offshore Wind Implementation Plan (issued February 12, 2026).

based on NYSERDA's cost of procuring the ZECs. As part of the competitive process, NYSERDA, in consultation with Staff, would establish a minimum ZEC price below which NYSERDA would not accept bids.

The Implementation Plan proposes that voluntary ZEC transfers via the New York Generation Attribute Tracking System (NYGATS) from NYSERDA to a voluntary purchaser's NYGATS account would generally occur after the ZEC compliance year is complete, with a process that NYSERDA notes could vary depending on the approach taken. Account holders would have fourteen days to accept the pending transfer from NYSERDA, pursuant to the NYGATS Operating Rules. All NYGATS account holders, including purchasers of voluntary ZECs, would only be allowed to transfer voluntary ZECs. All NYGATS account holders, including purchasers of voluntary ZECs, would only be allowed to transfer voluntary ZECs purchased from NYSERDA to another NYGATS account holder or to a NYGATS subaccount, and would not be permitted such voluntary ZECs outside of NYGATS, consistent with the framework authorized for other programs.

ZEC Load Share Obligation and Payment

In accordance with the ZEC 2.0 Order, the ZEC 2.0 Program continues the existing approach to calculate the per-MWh charge owed by each LSE for the next compliance year (LSE ZEC Rate). The Implementation Plan notes that the Nuclear Production Tax Credit created by the Inflation Reduction Act of 2022 under section 45U of the United States Tax Code, along with any associated direct payments and any future federal funding secured by nuclear facilities, would be considered cost mitigation funding, and serve to reduce NYSERDA's procurement costs. Any such funding would be recognized during the next applicable compliance year after a participating nuclear facility has received or realized it. As directed by the

Commission, NYSERDA would notify each LSE of the following year's LSE ZEC Rate and any relevant adjustments by email after it has been calculated. This notification will occur after Commission approval of any NYSERDA administrative adder, but at least sixty days before the commencement of a compliance year. NYSERDA would also post the LSE ZEC Rate on its website.

The Implementation Plan continues the "pay-as-you-go" payment methodology for LSEs to remit payments to NYSERDA, which relies on an LSE's monthly wholesale load requirements for their retail customers. The Implementation Plan also continues the existing ZEC payment reconciliation process, based on: (1) the LSE's load using NYISO Version 2 data; (2) the total load served by the LSEs; and (3) the number of ZECs actually purchased by NYSERDA. NYSERDA proposes for the reconciliation process to occur during May and June following the end of the ZEC compliance year concluding on December 31. NYSERDA would reconcile the funds collected from each LSE to the funds necessary to meet their obligation based on NYISO Version 2 load data provided from the NYISO and recorded in NYGATS, and adjusted load modifiers. NYSERDA would also reconcile funds collected from LSEs against NYSERDA's financial obligations to the nuclear generators, taking into account actual adjusted statewide load, the number of ZECs created by the nuclear generators, voluntary sales revenue, and any cost mitigation funding.

NYSERDA Agreements with LSEs

To increase efficiency of the LSE contracting process and reduce administrative burden, NYSERDA proposes to replace the individual program LSE agreements with a single Master Agreement that would supersede all previous agreements and would be effective for all future LSE obligations, including the ZEC 2.0 program. The Master Agreement would retain a similar structure to the current individual program LSE agreements, with all program-specific information attached via appendices. The Master Agreement would contain a contractual mechanism whereby NYSERDA would be able to update the Master Agreement's appendices as needed in subsequent years to address the implementation of new programs established under the load share approach. Once a new program is finalized, NYSERDA would first notify LSEs of the program and its final details, and distribute the updated appendices to be attached to each Master Agreement. NYSERDA would also publish the new appendices on its website. NYSERDA proposes to inform LSEs regarding acceptance procedures within forty-five days of filing a final Implementation Plan, and that all LSEs should be required to execute the Master Agreement within ninety days of filing of such final Implementation Plan.

NOTICE OF PROPOSED RULE MAKING

Pursuant to the State Administrative Procedure Act (SAPA) §202(1), a Notice of Proposed Rulemaking was published in the State Register on March 18, 2026 [SAPA No. 15-E-0302SP75]. The time for submission of comments pursuant to the Notice expired on May 18, 2026. Comments were filed by PSEG Long Island (PSEG LI), the Joint Utilities,[5] Constellation Energy Generation, LLC (Constellation), and the Alliance for Clean Energy New York (ACE NY).

PSEG LI recommends that NYSERDA ensure that total ZEC compensation to nuclear generating facilities is appropriately

[5] The Joint Utilities are Central Hudson Gas & Electric Corporation, Consolidated Edison Company of New York, Inc. (Con Edison), New York State Electric & Gas Corporation, Niagara Mohawk Power Corporation d/b/a National Grid, Orange and Rockland Utilities, Inc., and Rochester Gas and Electric Corporation.

reconciled with actual market revenues. PSEG LI further requests enhanced transparency regarding the calculation and application of the SCC component of the ZEC 2.0 price formula, recommending inflation adjustments to reflect current dollar values, and that NYSERDA publish ZEC rates and pricing information in a centralized and accessible format to support long-term financial planning and budgeting for utilities and other LSEs.

Constellation generally supports the substantive components of the draft Implementation Plan, but argues that, with the ZEC 2.0 Program moving to the January 1 effective date to establish the ZEC rate for each compliance year, the current 60-day requirement for NYSERDA to post the ZEC rate might present some coordination issues for Production Tax Credit (PTC) purposes under the Inflation Reduction Act. Accordingly, Constellation recommends that the associated ZEC rate be issued no later than 45 days from the beginning of each compliance year. Constellation commits to timely providing relevant PTC information to NYSERDA and Staff to facilitate this calculation.

The Joint Utilities generally support the consolidation of multiple clean energy program agreements into a single Master Agreement, recognizing its potential to streamline administration. The Joint Utilities argue, however, that future appendices proposed by NYSERDA may introduce new or modified obligations under the Master Agreement for all LSEs, and notwithstanding that NYSERDA or Staff may introduce new or modified obligations for consideration, neither NYSERDA nor Staff should be permitted to unilaterally modify the Master Agreement. The Joint Utilities emphasize that such changes could materially impact the composition and financial aspects of the Master Agreement and potentially exceed the scope of their corporate governance authorizations. The Joint Utilities therefore request advance notice of at least 60 days to review and comment on any future program appendices or material revisions thereto, and that no such appendices or revisions be incorporated into the Master Agreement without LSE written approval and signoff. The Joint Utilities also support the Implementation Plan's framework for extending the ZEC program through 2049, as well as the proposed periodic review process.

ACE NY supports the proposal to explore voluntary market sales, but suggests that the proposed auction structure addresses only a subset of market needs, and modifications may be necessary to properly incentivize broader voluntary market participation and ensure alignment with other state policies. ACE NY encourages continued discussion of this concept through technical conferences, stakeholder engagement with voluntary market actors, and further analysis, potentially within the ongoing CES program review process. ACE NY emphasizes that it is not advocating for the co-mingling of ZEC and Renewable Energy Credit (REC) markets, recognizing that solutions appropriate for ZECs may not be suitable for RECs.

LEGAL AUTHORITY

The Commission's authority derives from the New York State Public Service Law (PSL), through which various regulatory powers are delegated to the Commission. Pursuant to PSL §5(1), the "jurisdiction, supervision, powers and duties" of the Commission extend to the "manufacture, conveying, transportation, sale or distribution of ... electricity." PSL §5(2) requires the Commission to "encourage all persons and corporations subject to its jurisdiction to formulate and carry out long-range programs, individually or cooperatively, for the performance of their public service responsibilities with economy, efficiency, and care for the public safety, the preservation of environmental values and the conservation of natural resources." PSL §66(2) provides that the Commission shall "examine or investigate the methods employed by [] persons, corporations and municipalities in manufacturing, distributing and supplying ... electricity ... and have power to order such reasonable improvements as well as promote the public interest, preserve the public health and protect those using such gas or electricity ...." PSL §4(1) also expressly provides the Commission with "all powers necessary or proper to enable [the Commission] to carry out the purposes of [the PSL]" including, without limitation, a guarantee to the public of safe and adequate service at just and reasonable rates,[6] environmental stewardship, and the conservation of resources.[7] Further, PSL §65 provides the Commission with authority to ensure that "every electric corporation and every municipality shall furnish and provide such service, instrumentalities and facilities as shall be safe and adequate and in all respects just and reasonable." The Commission also has authority to prescribe the "safe, efficient and adequate property, equipment and appliances thereafter to be used, maintained and operated for the security and accommodation of the public" whenever the Commission determines that the utility's existing equipment is "unsafe, inefficient or inadequate."[8]

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[6] See International Ry. Co. v. Public Service Commission of N.Y., 264 A.D. 506, 510 (3d Dept. 1942), affirmed, 289 N.Y.2d 830 (1943).

[7] PSL §5(2).

[8] PSL §66(5).

DISCUSSION AND CONCLUSION

The Commission finds that the Implementation Plan complies with the requirements of the ZEC 2.0 Order and includes the appropriate details needed to enable NYSERDA to efficiently administer the ZEC 2.0 Program beginning in 2029. Comments received also generally supported the Implementation Plan framework. Accordingly, the Commission approves the Implementation Plan, with certain modifications as discussed in more detail below. NYSERDA is directed to file a final Implementation Plan, reflecting the discussion herein, within 30 days of issuance of this Order.

ZEC Price Formula Matters

In the ZEC 2.0 Order, the Commission generally approved the use of a Conversion Factor of 0.553 for purposes of adjusting dollars per short ton to $$/MWh, but directed that the Conversion Factor be reviewed and, if necessary, updated downward to account for changes to statewide renewable generation capacity mechanism, as part of the periodic review process.[9] The Implementation Plan's proposed downward adjustment mechanism (i.e., to adjust the Conversion Factor downwards by 0.00491 per 1,000,000 MWh of additional renewable generation measured over an annual period), is both reasonable and consistent with existing program parameters. The Commission also finds that the proposal to cap the maximum change per review period (i.e., four years) at 3,000,000 MWh is reasonable, because it strikes a balance between recognizing changes in the generation mix, ensuring that the zero-emissions attributes and reliability benefits of eligible nuclear facilities are retained, and providing stability to the ZEC 2.0 Program over a

[9] ZEC 2.0 Order, pp. 52-53.

twenty-year period by preventing significant swings to the ZEC price from Tranche to Tranche.

The ZEC 2.0 Order also directed that the Basis Differential adjustment be conducted during each periodic review (as opposed to a one-time update in the ZEC 1.0 Program), to ensure that such values do not become stale.[10] The Commission finds the Basis Differential adjustment formula proposed in the Implementation Plan to be reasonable and appropriate, and hereby approves it. Accordingly, during each periodic review, the Basis Differential adjustment shall be calculated as the difference between: (1) the actual historic $$/MWh difference between the average Zone A day-ahead energy price and the individual average generator bus day-ahead energy prices for the four nuclear plants (weighted based on their energy output), over the four calendar years preceding the year in which the adjustment is being calculated; and (2) $6/MWh.

PSEG LI recommends a reconciliation mechanism based on actual revenues to ensure that ZEC pricing remains aligned with demonstrated need. The Commission notes that the ZEC price formula already contains various mechanisms (including a reduction to the ZEC price based on the amount that forecast energy and capacity prices exceed $39/MWh, as well as both the Conversion Factor and the Basis Differential adjustments) to ensure that the program does not over-incentivize eligible nuclear facilities during periods when electricity and capacity prices are high. Similarly, while PSEG LI recommends that NYSERDA incorporate inflation adjustments to reflect current dollar values, including updating SCC values to 2026 dollars, the ZEC 2.0 Order already directs that SCC values be converted from 2020 dollars to the relevant years of the price calculation

[10] ZEC 2.0 Order, pp. 57-58.

using the latest forecast for the 2029-2049 period from the Blue Chip Economic Indicators, and subject to the Conversion Factor adjustment.[11]

Constellation requests that the current requirement for NYSERDA to publicly post the ZEC rate before the beginning of each compliance year be modified, from 60 days to 45 days. Given the timing concerns related to the PTC, the Commission finds this request to be reasonable and appropriate. NYSERDA is hereby directed to include in its final Implementation Plan filing a modified timing requirement that NYSERDA post the ZEC rate for the upcoming compliance year at least 45 days before the beginning of the compliance year.

Periodic Review

The Implementation Plan contains expanded details about the structure of the periodic review process, including but not limited to an expanded explanation of how the Conversion Factor and Basis Differential adjustments will be conducted. The review process would, among other things, include Staff's assessment of past and anticipated facility costs and revenues including past and anticipated capital expenditures to continue safely and reliably operating the facilities and capture the value of their environmental attributes, and the availability of federal and/or other tax credits, grants, or financing, and/or third-party power purchase agreements that could help offset some of the costs associated with the ZEC 2.0 Program. Staff's assessment would occur as part of the ZEC 2.0 Program and separate from the review the Commission would conduct under

[11] ZEC 2.0 Order, p. 52.

lightened regulation.[12] Turning to potential adjustments, the review process would also include the Basis Differential adjustment and the Conversion Factor adjustment. This periodic review structure will help provide transparency for the ZEC 2.0 Program as it continues into the future.[13] The Commission therefore approves the periodic review structure set forth in the Implementation Plan, subject to a modification to incorporate a review of voluntary ZEC sales into the periodic review process beginning in 2033, as discussed below.

Voluntary ZEC Sales

ACE NY expresses concern that the proposed auction structure may not address all market needs, and that future modifications may be needed to properly incentivize broader voluntary market participation and ensure alignment with other state policies. To the extent that the voluntary ZEC sale process may need future adjustments to account for lessons learned, NYSERDA should, as part of its final Implementation Plan filing, incorporate language providing that the ZEC 2.0 Program's periodic review process beginning in 2033, including but not limited to a review of voluntary ZEC sales to date, lessons learned, and proposed adjustments to the auction mechanism as necessary to address future market and policy needs.

NYSERDA and Staff's approach on the voluntary sale of ZECs is otherwise in alignment with the ZEC 2.0 Order and Commission guidance. Accordingly, NYSERDA and Staff's proposed voluntary ZEC sales approach is approved. NYSERDA may commence

[12] See generally Case 21-E-0130, Exelon Corporation and Exelon Generation Company, LLC, Order Asserting Jurisdiction, Approving and Adopting Joint Proposal, and Continuing Lightened Regulation, at 50-52 (issued December 16, 2021).

[13] See ZEC 2.0 Order, pp. 68-69.

with the voluntary sale of ZECs in compliance with the requirements of the ZEC 2.0 Order and the Implementation Plan.

Master Agreement

The Commission finds that NYSERDA's proposal to consolidate various LSE agreements into a single Master Agreement will help to streamline NYSERDA's administration of not only the ZEC 1.0 and ZEC 2.0 programs, but also other clean energy programs that utilize contracts based on LSE load share obligations. The proposed Master Agreement will also help standardize terms and conditions across all of these different clean energy programs into a single executable contract (with program-specific information being attached via appendices). and help streamline NYSERDA's administration of these programs.

The Joint Utilities assert that neither NYSERDA nor Staff should be permitted to unilaterally modify the Master Agreement. The Joint Utilities also request advance notice of at least 60 days to review and comment on any future program appendices or material revisions thereto, and that no such appendices or revisions be incorporated into the Master Agreement without LSE written approval and signoff. The Commission notes, however, that any proposed future program will necessarily undergo a notice and comment period prior to Commission review and approval thereof, and LSEs (including the Joint Utilities) will have an opportunity at that time to comment on the structure of that future program. Similarly, to the extent that a future appendix is to be added to the Master Agreement, that appendix would be included as part of a proposed implementation plan for the new program, and LSEs would also have the opportunity to submit comments thereon.

Based on the foregoing, the Commission approves the proposed Master Agreement as set forth in the Implementation Plan, and directs NYSERDA to include details about the Master

Agreement in its final Implementation Plan filing. The Commission further directs NYSERDA to inform all LSEs about procedures to accept the Master Agreement, within 45 days of the filing of the final Implementation Plan, and that all LSEs will be required to accept the Master Agreement within 90 days of filing of the final Implementation Plan. NYSERDA shall file an update in this proceeding at the end of that compliance period, identifying whether all LSEs have executed the Master Agreement, and if not, when such full compliance is expected and the steps that NYSERDA intends to take to ensure that LSEs enter into Master Agreements as directed.

<u>The Commission orders</u>:

1. The Zero Emissions Credit Implementation Plan and Load Serving Entity Master Agreement Proposal filed on March 16, 2026, by the New York State Energy Research and Development Authority and New York State Department of Public Service staff is approved, with modifications, as discussed in the body of this Order.

2. The New York State Energy Research and Development Authority and New York State Department of Public Service staff shall file a final Zero Emissions Credit Implementation Plan within 30 days of the effective date of this Order, as discussed in the body of this Order.

3. Within 45 days following the filing of a final Zero Emissions Credit Implementation Plan as directed in Ordering Clause 2, the New York State Energy Research and Development Authority shall notify each affected Load Serving Entity of a revised Master Load Serving Entity Purchase and Sale Agreement, as discussed in the body of this Order.

4. Each Load Serving Entity that is party to an agreement with the New York State Energy Research and

Development Authority for participation in a Commission-approved program that utilizes a load share approach, shall execute the Master Load Serving Entity Purchase and Sale Agreement within 90 days following the filing of a final Zero Emissions Credit Implementation Plan as directed in Ordering Clause 2, as discussed in the body of this Order.

5. Within 90 days following the filing of a final Zero Emissions Credit Implementation Plan as directed in Ordering Clause 2, the New York State Energy Research and Development Authority shall file a report regarding the execution of a Master Load Serving Entity Purchase and Sale Agreement by affected Load Serving Entities, as discussed in the body of this Order.

6. In the Secretary's sole discretion, the deadlines set forth in this Order may be extended. Any request for an extension must be in writing, must include a justification for the extension, and must be filed at least three days prior to the affected deadline.

7. This proceeding is continued.

By the Commission,

(SIGNED)

MICHELLE L. PHILLIPS
Secretary