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[SUBMITTED ELECTRONICALLY TO: [nygats@nyserda.ny.gov](mailto:nygats@nyserda.ny.gov)]

December 4, 2015

Ms. Doreen Harris  
Program Manager, Large Scale Renewables  
New York State Energy Research and Development Authority (NYSERDA)  
17 Columbia Circle  
Albany, NY 12203-6399

**RE: Green-e® Program Staff Comments on New York Generation Attribute Tracking System (NYGATS) Draft Operating Rules, Issued October 27, 2015**

Dear Ms. Harris,

Green-e® Program Staff appreciates this opportunity to comment on the October 2015 NYGATS Draft Operating Rules.

**Background on Green-e®**

Green-e is a program of Center for Resource Solutions (CRS), a 501(c)(3) nonprofit organization that creates policy and market solutions to advance sustainable energy. Green-e Energy is the leading certification program for voluntary renewable electricity products in North America. In 2014, Green-e Energy certified retail sales of 38 million megawatt-hours (MWh), representing over 1% of the total U.S. electricity mix, or enough to power nearly a third of U.S. households for a month. In 2014, there were over 836,000 retail purchasers of Green-e certified renewable energy, including 50,000 businesses. Stakeholder-driven standards supported by rigorous verification audits are a cornerstone of Green-e and enable CRS to provide independent third-party certification of environmental commodity transactions. The Green-e environmental and consumer standards are overseen by an independent governance board of industry experts, including representatives from environmental nonprofits, and consumer advocates. Our standards have been developed and are periodically revised through an open stakeholder process. All Green-e program documents are available at [www.green-e.org](http://www.green-e.org).

**Comments on Draft Operating Rules**

1. Green-e strongly supports certificate tracking to support a robust voluntary renewable energy market in New York.

Green-e strongly supports the clearly articulated function of NYGATS in the Draft Operating Rules to substantiate the fulfillment and verification of claims that suppliers and marketers may make when selling renewable electricity or renewable energy certificates (RECs) to customers through voluntary green power markets, and therefore to facilitate the development of the voluntary market in New York.

In 2014, there were 18 unique renewable energy generation facilities in New York, with a total capacity of over 1,600 megawatts (MW), supplying 239,000 MWh of Green-e certified renewable energy to

voluntary buyers. New York businesses and individuals bought nearly 2.2 million MWh of Green-e certified renewable energy in 2014. We believe this will represent a significant proportion of transactions in NYGATS and that the voluntary market and voluntary consumers would benefit from the additional transparency that NYGATS will provide.

Apart from verification of voluntary transactions to ensure correct and exclusive delivery to voluntary consumers, NYGATS will also support the accuracy of state fuel source disclosure and prevent double claims on renewable generation attributes. For example, Green-e certified renewable energy must not be included in the fuel disclosure labels sent to all retail and non-Green-e customers. Serialized tracking and retirement of voluntary renewable energy in NYGATS will make these volumes easy to identify and differentiate for suppliers and retail customers in New York.

Whereas facilitating voluntary renewable energy transactions is a stated aim of NYGATS, we also support tracking system functionality that supports this aim and Green-e certification, such as tracking unbundled imports and exports, which is discussed further below.

2. Additional functionality is required for verification of Green-e certified bundled electricity products sold in the voluntary market.

In addition to certifying unbundled REC products, Green-e also certifies bundled electricity products for the voluntary market, including utility green pricing programs and renewable electricity products sold by competitive suppliers.

It is our understanding, though it is not sufficiently clear in the Draft Operating Rules, that “Retirement Subaccounts,” as described in Sections 6.3 and 11.1 of the Draft Operating Rules, are proposed to be used in NYGATS only for unbundled certificates (i.e. certificates that are imported unbundled into New York or where energy was exported out of New York and certificates remain in New York), and that, for this reason, the list of dropdown reasons under retirement details for certificate used by an account holder for a Green-e Energy certified voluntary market sale in the Draft Operating Rules includes only “Unbundled Certificate.” It is also our understanding that under the Draft Operating Rules, load serving entities (LSEs) will transfer bundled certificates (i.e. certificates associated with a utility green pricing program, for example) from their Active Subaccount to an Environmental Disclosure Program (EDP) Subaccount for purposes of the Environmental Disclosure Label, as described in Section 8 of the Draft Operating Rules. Certificates in the EDP Subaccount are automatically “retired” at the end of the year, to the label, with or without action by the LSE.

It is also our understanding that while there is no “retirement” option within the EDP Subaccount, LSEs can allocate certificates in this subaccount to retail (e.g. green) product options:

“The LSE can optionally assign Certificates to retail products in the EDP Subaccount for purposes of additional reporting. Retail products, like Retirement reasons, may be selected from the Certificate transfer screen at the time of deposit into the EDP Subaccount. The transfer screen has a ‘Retail Product Detail’ field where the Account Holder can enter their retail product details (i.e. Utility Green Pricing Program)” (NYGATS Draft Operating Rules, Sec. 8.3, pg. 37).

Assuming these understandings are correct, we have a number of concerns and questions. Primarily, it is unclear whether the allocation of certificates in the EDP Subaccount to separate retail product reports will be sufficient for Green-e verification.

First, it is unclear to us whether LSE's will be required to use dropdown options to categorize/allocate certificates to retail products in the EDP Subaccount. The Table in section 6.3 and Table 11-1 could be repeated in Section 8, but in this case, the list of dropdown reasons under retirement details for certificate used by an account holder for a Green-e Energy certified voluntary market sale of bundled renewable energy must include "utility green pricing" and "green electricity product," which are meaningful categories for Green-e verification.

However, even with this change, the Draft Operating Rules do not provide enough clarity on how LSE's will allocate RECs and generate reports that will allow Green-e to verify retirement of RECs for sales of certified bundled renewable energy products.

Finally, it is important that voluntary sales of bundled renewable energy, and especially sales of Green-e certified bundled renewable energy products, are also excluded from the residual mix and must not appear on environmental disclosure labels received by all customers or non-subscribers to voluntary and Green-e certified programs and products. Any label disclosures about Green-e certified products (utility green pricing, unbundled REC, or competitive electricity product) must be made separately. If a LSE customer is receiving the standard mix, Green-e certified renewable energy must not be part of their label.

3. More information is needed around project registration for customer-sited systems/projects.

We understand that there are a large number of customer-owned renewable energy systems that New York has encouraged and that receive incentives from NYSERDA in exchange for the RECs. The Draft Operating Rules are not clear on how those systems in particular will be registered and who will be registering them. Specifically, where NYSERDA owns the certificates associated with generation at these systems, will NYSERDA then be registering these systems or will it be the customer? One concern is with ensuring that these systems are not registered more than once (e.g. once by NYSERDA and once by the customer), and another is with ensuring that the customer is sufficiently aware/informed that these systems are being registered and certificates are being issued in the case that NYSERDA is registering them.

4. Green-e supports tracking of imports and exports of certificates without accompanying energy (unbundled certificates) in NYSERDA.

The transfer of certificates to and from compatible certificate tracking systems, both bundled and unbundled with energy, in NYGATS will support voluntary transactions and other purposes for which certificates may be eligible, now and in the future. Some NYGATS account holders may want access to other markets and RECs from out-of-state. This is also important functionality for anticipating any potential changes to Renewable Portfolio Standard (RPS) rules which could allow unbundled out-of-state RECs in the future. Tracking unbundled imports and exports may also reduce or prevent untracked transactions, as market participants attempt to work around the constraints of tracking systems. Supporting unbundled certificate imports and exports in NYGATS increases the likelihood that these transactions will be tracked, increases transparency, and reduces the risk of double counting. In addition, with new carbon markets emerging across the country, particularly associated with the U.S. Environmental Protection Agency's Clean Power Plan (CPP), there may be more national renewable energy trading for different state CPP and RPS requirements and more of a need for inter-registry coordination.

Thank you for your consideration of our comments and please contact me with any questions, to discuss further, or if we can otherwise be of assistance.

Sincerely,

A handwritten signature in black ink, appearing to read 'Todd Jones', with a stylized flourish at the end.

Todd Jones  
Senior Manager, Policy and Climate Change Programs