

Green Power Product Offering

THE NEW YORK POWER AUTHORITY HAS STREAMLINED THE PROCESS through which NYPA customers can procure green power products to meet their policy and environmental objectives or compliance requirements.

The Benefits

The benefits of purchasing green power products through NYPA are numerous.

By aggregating customer requests, NYPA can negotiate:

- Lower prices, when compared to fulfilling requests on an individual basis; and
- Longer-term (multi-year) deals, as opposed to the short terms offered in the market.

In addition, NYPA takes care of issuing RFPs and evaluating proposals on our customers' behalf. This allows customers to take advantage of NYPA's green power expertise while minimizing the cost and effort of procuring green power products.

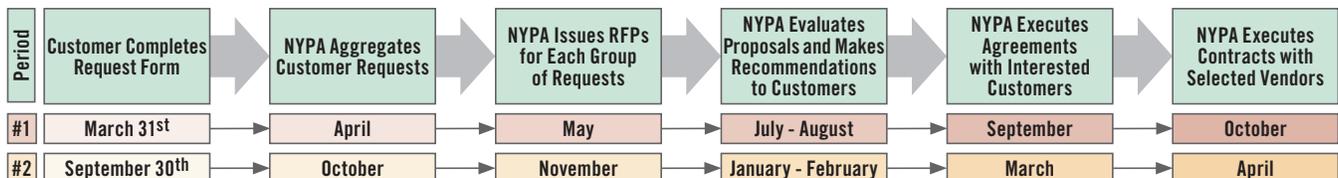
Our Process

There are two enrollment deadlines annually for the procurement of green power products:

→ **March 31** and **September 30**

Customers interested in purchasing green power products should complete the attached Customer Request Form and submit it to NYPA by the next upcoming enrollment deadline. This form may also be accessed through the NYPA customer Web site at <http://www.nypa.gov/extranet/login.aspx>.

NYPA's green power product procurement process typically is as follows:



Should you have any questions about this offering, please contact your NYPA account executive.

NYPA's Green Power Products

FREQUENTLY ASKED QUESTIONS

What is green power?

Green power, also known as renewable energy, is generated from renewable energy technologies. Renewable energy is energy that is capable of being continuously replenished by natural or other means. Renewable energy technologies include solar photovoltaic, solar thermal, wind, geothermal, biomass, landfill gas and tidal generation technologies, among others.

How is green power different from traditional power?

In addition to the actual energy (in MWh), green power includes the environmental benefits associated with renewable energy generation. These environmental benefits are known as Environmental Attributes. Environmental Attributes include any emissions of pollutants avoided by the generation of renewable energy, such as carbon dioxide (CO₂), methane (CH₄) or any other greenhouse gases (GHGs). Environmental Attributes and electric energy may be purchased separately or combined.

Why is green power more expensive than traditional power?

Green power is more expensive than traditional power because it includes not only the energy itself but also the Environmental Attributes associated with the renewable energy generation. Environmental Attributes have financial value due to the existing market demand for them. Demand for Environmental Attributes stems from a variety of sources, including legislation mandating entities to purchase renewable energy, programs (such as LEED) requiring participants to purchase renewable energy, and voluntary purchases of renewable energy by environmentally conscious consumers and organizations.

What are Environmental Attributes, Renewable Energy Credits, and Certificates?

Environmental Attributes are the environmental benefits associated with renewable energy generation. Each megawatt hour ("MWh") of energy supplied from renewable resources displaces an equivalent amount of energy production from conventional fossil-fuel generators. An Environmental Attribute represents the environmental benefit of this displacement. A Renewable Energy Credit ("REC") represents the title to and claim for the Environmental Attributes associated with one (1) MWh of energy generation from a renewable resource. Renewable Energy Certificates ("Certificates") are Renewable Energy Credits that have been formally certified by an independent third party, such as Green-e® Energy. The green power products sold by NYPA include both Green-e Energy-certified RECs and RECs verified through the New York State Public Service Commission's ("NYS PSC's") Conversion Transaction process.

How much do green power products cost?

The cost of green power products fluctuates with market demand, and varies depending on the type of renewable technology involved and the location of the generating facility. Environmental Attributes procured by NYPA have typically ranged in cost from 0.5 cents/kWh to 3.5 cents/kWh.

What is the NYS PSC's Conversion Transaction process?

A Conversion Transaction occurs when a generating facility that sold energy into the New York electricity market and a load-serving entity that purchased a like amount of energy out of the New York electricity market during the same calendar year settlement period jointly identify such energy for the NYS PSC. The purchaser of the energy for which a Conversion Transaction is accomplished thereby receives the Environmental Attributes associated with such energy.

For more information about the Conversion Transaction process, please visit www.dps.state.ny.us/EnvDisclosureLabel.html

What is Green-e Energy, and what does Green-e Energy certification involve?

Green-e Energy is an independent program of the non-profit Center for Resource Solutions that verifies and certifies renewable energy products. In order to be certified as Green-e Energy, a renewable energy product must undergo a thorough annual verification procedure, which ensures that it is properly accounted for, originates from a facility that meets the requirements of the Green-e Energy National Standard, and has not been double-counted.

For more information about Green-e Energy, please visit www.green-e.org

What is the US Green Building Council's Leadership in Energy and Environmental Design Program?

Leadership in Energy and Environmental Design ("LEED") was developed by the U.S. Green Building Council ("USGBC") to serve as a national benchmark in the design, construction and operation of environmentally friendly buildings. LEED provides a framework for new and existing structures wishing to achieve one of four levels of certification: Certified, Silver, Gold or Platinum. Buildings achieve these ascending levels of certification by fulfilling various requirements, including purchasing minimum percentages of energy from renewable resources. Traditional energy may be combined with Environmental Attributes, RECs or Certificates to constitute renewable energy. For compliance with LEED certification standards, the green power products purchased must be Green-e Energy-certified or equivalent.

For more information about LEED, please visit www.usgbc.org

What is NYS Executive Order 111 ("E0111")?

NYS Executive Order 111 requires "all agencies and departments over which the governor has executive authority, and all public benefit corporations and public authorities the heads of which are appointed by the governor" to purchase at least 20 percent of the overall annual electric energy requirements of buildings owned, leased and operated "from the following technologies: wind, solar thermal, photovoltaic, sustainably managed biomass, tidal, geothermal, methane waste and fuel cells."

For more information about EO111, please visit www.nyserda.org/programs/State_Government/exorder111guidelines.pdf