



NYSERDA

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Governor

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Chair

ALICIA BARTON
President and CEO

December 6, 2018

Mr. James Taylor Jr.
Taylor Biomass Energy, LLC
350 Neelytown Road
Montgomery, NY 12549

Dear Mr. Taylor:

Re: PRO36790_Taylor Biomass Energy Montgomery – Taylor Biomass Energy, LLC (Facility)
Technology: Adulterated Biomass - Renewable
Nameplate Capacity (MW-AC): 21.0
In-Service Date: 2020-04-15
Market Pricing Zone: G- Hudson Valley
Tariff Type: Wholesale - NYISO
Tier 1 % Eligible: 100%
Vintage: New

This notice is to inform you that your application for Tier 1 Renewable Energy Standard (RES) Provisional Certification for the Facility with NYGATS ID PRO36790 has been approved. The New York State Energy Research and Development Authority (NYSERDA) has found the Facility provisionally meets the requirements for eligibility pursuant to the New York State Public Service Commission (Commission) *Order Adopting a Clean Energy Standard*, issued August 1, 2016 in Case 15-E-0302 and *Clean Energy Standard Final Phase 1 Implementation Plan*, filed March 24, 2017 in Case 15-E-0302. Key requirements that pertain to the Facility are summarized below.

The Applicant represents that the Facility will use only eligible biomass feedstocks and submits that it understands and plans on adhering to RES requirements specific to the conversion technology and chosen fuel feedstocks. Of note is the Applicant's use of adulterated biomass recovered from sorted municipal solid waste which will be combined with supplemental construction, demolition and waste wood. Should the municipal solid waste sorting process and subsequent conversion result in the Facility using a combination of eligible and ineligible fuels, only that fraction of electric generation associated with eligible biomass resources will be eligible for the RES, and that reliable and accurate measurement of the eligible biomass content of the fuel used to derive the eligible fraction/portion of generation will be required.

RES eligibility of adulterated biomass feedstocks is subject to Applicant's use of a primary conversion step to liquid or gaseous fuels, and demonstration that the resulting emissions from the electricity generation are equal to or less than the emissions for the process if unadulterated biomass feedstocks were used. These requirements are described in the [NYS Clean Energy Standard RES Tier 1 Certification Submission Instructions and Eligibility Guidelines](#), and further detailed in the [RES Biomass Power Guide](#).

The Commission approved an alternative protocol for comparative emissions tests for biomass gasification technologies in an Order dated July 14, 2017 in Case 15-E-0302. The protocol provides an alternative to direct analysis of stack emissions from a fully constructed Facility to compare emissions levels between adulterated and unadulterated fuels (comparative emissions testing).

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This alternative provides a pathway for developers to proceed with certainty regarding their RES eligibility prior to construction of the Facility, while maintaining the integrity and intention of the Comparative Emission Test criterion.

The alternative compliance protocol recognizes the intent of the comparative emissions test can be met under the following conditions: it can be demonstrated in advance of project development that a specific gasification/generation system design will prevent the formation and emission of relevant contaminants in quantities exceeding the levels generated from either the direct combustion of clean wood or gasification and subsequent syngas combustion using clean wood; and ongoing feedstock testing is implemented to ensure any contaminants for which the potential emission levels have not been sufficiently demonstrated to be met by the proposed system are maintained within threshold limits. Both of these conditions must be met in order for the gasification of adulterated feedstocks to be approved as RES eligible.

An alternative compliance report was submitted to NYSERDA and DPS for approval to use this alternative approach. The report dated November 6, 2018 has been approved and is appended to this letter.

Further, to be eligible under Tier 1 of the RES, the eligible resource must be one that can and does contractually supply energy into the New York market. The electricity associated with the NYGATS certificates used for compliance from Tier 1 RES resources located within New York must either be (i) delivered into a market administered by the NYISO for end-use in New York State, (ii) delivered through a wholesale meter under the control of a utility, public authority or municipal electric company such that it can be measured, and such that consumption within New York State can be tracked and verified by such entity or by the NYISO; or (iii) delivered through a Renewable Energy Resource Dedicated Generation Meter, approved by and subject to independent verification by NYSERDA, to a customer in New York State, should it be deemed eligible. See Section 5 of the New York Generation Attribute Tracking System (NYGATS) Operating Rules for further information.

NYSERDA has examined the submitted application for Provisional Certification and finds that the Facility as described therein can be expected to be compliant with the Tier 1 RES eligibility criteria. NYSERDA therefore approves Provisional Certification for this Facility, with the caveat that eligibility will be conditioned as follows:

- (1) Only that fraction of electric generation associated with eligible biomass resources will be RES eligible.
- (2) The Applicant must implement an ongoing feedstock testing plan for approval by NYSERDA and DPS.

Once the Facility is operational, the Applicant must complete a NYGATS registration and a Tier 1 Certification Application associated with operating projects for NYSERDA's approval, including, but not limited to, demonstration of Commercial Operation and any additional information that may be required to confirm the Facility was constructed and is operating as Provisionally Certified .

Sincerely,

Doreen M. Harris

Doreen M. Harris
Director
Large Scale Renewables