On September 21, 2005, the Commission issued a notice, pursuant to the State Administrative Procedures Act (SAPA), pertaining to various procurement issues related to the Renewable Portfolio Standard (RPS) Program. In that notice, parties to the RPS proceeding were asked to provide comments on several issues regarding biomass eligibility that were contained in a draft Biomass Guidebook (Guidebook) developed by the New York State Energy Research and Development Authority (NYSERDA). The SAPA notice invited parties to comment on the draft Guidebook and, specifically, on: (1) measurement and accounting procedures to ensure that only the eligible portions of multi-fueled power generation facilities are considered in the RPS Program; (2) a methodology for determining the eligibility of generation from facilities that will use biomass as a fuel for new or increased output; and (3) use of adulterated biomass as a fuel for renewable generation. Many parties responded to the notice and provided helpful comments. Thereafter, the Commission, in a January 26, 2006 order, ruled on the central questions posed in the SAPA notice and required that the Guidebook be modified accordingly.

In addition to offering their perspectives on the three specific issues outlined in the SAPA notice, some parties also presented comments on other matters addressed in the Guidebook. Many of the comments had already been the subject of previous Commission decisions, particularly with respect to eligibility of certain feedstocks; standards for forest resource management; and validation/verification Procedures, and therefore, with the exceptions of clarifying edits, the Commission did not require that any substantive changes be made to NYSERDA's draft Guidebook with regard to those matters. It is important to recognize, however, that the Guidebook will continue to be an evolving document as implementing authorities gain experience with the RPS Program.

Accordingly, NYSERDA and Commission Staff have amended the Guidebook, as described below, to incorporate the Commission's decisions on these matters. The amended Guidebook is provided with this notice. A summary of the modifications to the Guidebook is provided below.

NYSERDA and Staff request that interested parties review the amended draft Guidebook and submit any desired supplemental comments by April 22, 2006 to Tina Palmero at christina_palmero@dps.state.ny.us. After consideration of any supplemental comments, NYSERDA and Staff will prepare a final Guidebook for use in the forthcoming Solicitation.

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1 PSC Order Authorizing Additional Main tier Solicitations and directing Program Modifications – Issued and Effective: January 26, 2006
Summary of Modifications

1. Chapter 2, Eligible Technology and Feedstock Combinations
   - In the section, Requirements for Facilities Using Adulterated Biomass, the Guidebook has been revised to: clarify the minimum set of pollutants to be analyzed and screened for the comparative emission testing procedures described in Step 1 Screening Analysis; add requirements to address fuel variability described in Step 2 Test Protocol Development; and delete the reference to the 1% tolerance band for emission resulting from adulterated biomass in Step 3 Comparative Emissions Testing and Analysis.

2. Chapter 4, Multi-Fuel Power Generation Technologies
   - In the section, Gaseous and Liquid Biomass Fuel Co Firing, the Guidebook has been revised to address renewable pipeline gas (RPG) requirements described in Conversion of Common Carrier Pipeline Gas to clarify the objective of creating new renewable resources.

3. Chapter 5, Incremental Capacity Additions
   - In the section, Options for Calculating Increased Generation/Capacity, the Guidebook has been revised to clarify that only RPS eligible biomass fuels are included in the baseline calculation. In addition, the averaging period for calculating the baseline has been determined. Lastly, requirements for an independent analysis and report have been included for baseline determination and incremental capacity additions.