



Innovative Biomass-to-Renewable
Energy Solutions

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VIA E-MAIL

June 9, 2016

Honorable Kathleen Burgess
Secretary
NYS Public Service Commission
3 Empire State Plaza
Albany, New York 12223

Re: Case 03-E-0188: Proceeding on Motion of the Commission Regarding a Retail
Renewable Portfolio Standard

Dear Secretary Burgess:

Reference is hereby made to the Order Approving Request for Funding of ReEnergy Chateaugay as Maintenance Resource (the "Order") issued by the Public Service Commission (the "Commission") on July 22, 2015, in the above-referenced proceeding.

In the Order the Commission offered ReEnergy Chateaugay LLC ("ReEnergy") a maintenance resource contract under the Renewable Portfolio Standard ("RPS") program, and authorized the New York State Energy Research and Development Authority to enter into an RPS maintenance resource contract conditioned upon ReEnergy demonstrating that it had entered into a long term power purchase agreement ("PPA") with an independent third party that meets certain requirements set forth in the Order.

After protracted efforts to secure a PPA as contemplated by the Order, ReEnergy regretfully informs the Commission that it has been unable to enter into a PPA that meets the requirements set forth in the Order. As a result, ReEnergy hereby declines the Commission's offer of an RPS maintenance resource contract pursuant to the Order.

For your information, earlier this week ReEnergy sold the Chateaugay facility, and the purchaser informed ReEnergy that it does not intend to resume operations at the facility. The purchaser's plans are to dismantle the facility and repurpose the components thereof at other energy generation facilities.

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We would like to express our appreciation to the Commission for its support of the ReEnergy Chateaugay facility, and regret that this facility will not be able to contribute to New York State's laudable fuel diversity and renewable energy RPS goals.

If you have any questions or require additional information regarding the foregoing, please feel free to contact me at (518) 810-0206, or by e-mail at wralston@reenergyholdings.com.

Respectfully Submitted,

A handwritten signature in black ink, appearing to read "W H Ralston", with a long horizontal flourish extending to the right.

William H. Ralston
Chief Risk Officer

cc: PSC Chair Audrey Zibelman
PSC Commissioner Diane Burman
Colleen Gerwitz
Christina Palmero
Michele Goyette