

### **Straw Proposal (from ACE)**

- An OREC compliance requirement will be carved out of a State's REC obligation;
- Third party energy suppliers (SOS and retail suppliers) will not be obligated to supply ORECs;
- All Load Serving Entities will be allocated a certain number of ORECs from off-shore wind, based on their percentage of retail sales in the region. This OREC carve-out will be set annually in MWs. The level of ORECs will be set upfront, based on the level of Installed Capacity and the forecasted energy output;
- All load Serving Entities will have the responsibility for the collection of the OREC Price from all of their distribution customers through a customer surcharge;
- All load Serving Entities will have the responsibility for transferring the OREC Price funds (net of a Designated Facilities' energy revenues) to the Designated Facilities through a customer surcharge;
- Any OREC Price funds not distributed to the Designated Facilities will be refunded to customers in a timely manner.