

STATE OF NEW YORK
PUBLIC SERVICE COMMISSION

In the Matter of the Value of Distributed Energy Resources Working
Group Regarding Rate Design

Matter 17-01277
Case 15-E-0751

**Reply Comments on Staff Whitepaper on Rate Design for Mass Market Net Metering
Successor Tariff issued December 9, 2019**

**Clean Energy Parties: Solar Energy Industries Association, the Alliance for Clean Energy
New York, Coalition for Community Solar Access, the Natural Resources Defense Council,
the New York Solar Energy Industries Association, the Pace Energy and Climate Center,
and Vote Solar**

Dated: March 16, 2020

The Clean Energy Parties (“CEP”) appreciate the opportunity to submit reply comments on the New York Department of Public Safety (“DPS staff” or “Staff”) Whitepaper on Rate Design for Mass Market Net Metering Successor Tariff issued December 9, 2020. Our reply comments are in response to recommendations provided by Joint Utilities (“JU”), Distributed Sun LLC (“DSUN”), The City of New York, and New York Power Authority comments in response to Staff’s Whitepaper.¹ The CEP are specifically concerned with the recommendations set forth by the JU, which violate ratemaking principals proposed by Staff and would completely undermine the state policy goals outlined in the Reforming the Energy Vision goals for 2030, as well as the clean energy goals required under the New York State Climate Leadership and Community Protection Act (“CLCPA”).

The REV 2030 goals include a 40% reduction in greenhouse gas emissions from 1990 levels, 70% of electricity consumed in New York to come from renewable sources, and a 600 trillion Btu increase in end use energy efficiency savings. The State has continued its dedication to combatting climate change through support of clean energy in the passage of CLCPA in 2019. The CLCPA requires greater reductions of greenhouse gas emissions than the REV 2030 goals and also promotes improvements to the state’s resiliency to negative impacts driven by climate change. The CLCPA also calls for 6 gigawatts of distributed solar to be installed by 2025.

In comments, the JU proposed several recommendations that will directly undermine the State’s policy goal to significantly increase distributed solar in the next several years. JU recommended no grandfathering of bridge rate options, imposition of demand based delivery rates, and an escalating CBC that would result in massive monthly fixed charges for solar customers. These recommendations would completely eliminate any incentive for a residential or commercial customer to install rooftop solar in New York.

The JU proposal to not allow grandfathering will present significant uncertainty for future customers and developers in New York. While any rate option is subject to change over time, the JU have consistently made clear their intention to implement rate options (high fixed charges and demand charges) that eliminate any customer interest in rooftop solar. Also, as we’ve shown in

¹ See Joint Utilities Initial Comments on Staff Whitepaper on Rate Design for Mass Market Net Metering Successor Tariff. Submitted on February 24, 2020. Case 15-E-0751, Matter 17-01277.

previous comments, eliminating grandfathering and increasing fixed charges to unreasonable levels will decimate the solar industry in New York, making it impossible for the State to meet its solar installation and climate goals.

The CEP have commented on the JU proposals to move to demand based rates for solar customers several times throughout this proceeding. This proposal is not cost based, will reduce customer incentives to reduce overall consumption or engage in utility energy efficiency programs, and will drastically reduce the number of rooftop solar installations. The CEP believe that time based rates, including time of use rates with critical peak pricing or variable peak pricing, achieve greater demand reductions and provide customers with better price signals than demand based rates.

Finally, the JU proposal to increase the CBC will impose an extremely high fixed charge on solar customers. Table 1 shows the potential fixed charges for a residential solar customer with a 6 kW facility under the JU proposal. As the table shows, the JU proposal would more than double the current fixed charges. For a residential customer in Central Hudson with a 6 kW system, the monthly fixed charge would be nearly \$70 per month.

Table 1. JU Proposed Fixed Charges for Solar Customers

Utility	Existing Customer Charge	JU Proposed CBC	Total Fixed Charge Under JU Proposal
RG&E	\$22.10	\$22.50	\$44.60
OR	\$20.00	\$40.08	\$60.08
CE	\$15.76	\$38.28	\$54.04
NYSEG	\$15.92	\$18.96	\$34.88
NG	\$17.00	\$21.78	\$38.78
CHGE	\$24.00	\$43.68	\$67.68

The JU also offer no justification for the proposal. The CBC as originally designed is intended to recover additional costs of public benefit programs. The JU proposal goes far beyond any public benefit programs. This proposal, especially when combined with other JU

recommendations, would strongly discourage any investment in rooftop solar in New York and should be rejected by the Commission.

Respectfully submitted,

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