



NYSEIA 2020 Policy Priorities

INTERCONNECTION: NYSEIA continues to lead and coordinate interconnection reform efforts through its participation in the Interconnection Policy and Technical Working Groups (IPWG and ITWG), as well as the Long Island Interconnection Working Group (IWG) through its Long Island Solar and Storage Alliance (LISSA). Key 2020 interconnection-related policy priorities include:

- An improved system for allocation and sharing of costs associated with grid upgrades.
- The need for fair, clear and orderly rules governing the interaction of distribution-level and transmission-level queues, including maturity requirements for inclusion in CESIR/SRIS.
- Improving and standardizing key interconnection milestone deliverables, including pre-application reports, preliminary/supplemental screening analysis, and CESIR studies.
- Protecting DG customers from utility cost overruns and costs not identified in CESIR.
- Greater transparency regarding CESIR fee cost drivers and standardization of CESIR fees.
- Improvements to post-25% payment milestones and timelines.
- Addressing priority Energy Storage System (ESS) Roadmap items.
- Improvements to Hosting Capacity Map functionality, particularly in Con Edison and LIPA.

PROPERTY TAX/PILOT STANDARDIZATION: The current lack of predictability in PILOTs and assessment methodology can severely threaten and disrupt solar project development, and the PILOT negotiation process often creates unnecessary friction between developers, AHJs, and communities.

- NYSEIA advocates for legislative amendments to RPTL 487 through collaboration with AHJ groups to institute standardized \$/MW-ac/year PILOT payments for a 25-year term. Standard payments would apply to all solar projects greater than a certain size and would be based on region/utility territory and segment (distributed vs transmission-level).
- Simultaneously, NYSEIA continues to engage with the Executive Branch and NYS Department of Tax and Finance regarding statutory guidance for solar project assessment.

BOLSTERING COMMUNITY SOLAR: Community solar (Community Distributed Generation/CDG) is expected to be a significant share of DG solar deployments in New York going forward and is a high-priority market segment for NYSEIA members and stakeholders.

- Following the imminent expiration of the Community Credit, maintaining viable compensation that stimulates continued scale-up of CDG deployment through an appropriately determined Community Adder incentive (see above) is critical to the success of this segment.
- Despite providing an alternative to rooftop solar, nearly all NYC residents cannot subscribe to community solar offerings because of regulatory hurdles. These hurdles must be addressed, such as through cross-utility crediting.
- NYSEIA and LISSA continue to provide stakeholder input regarding the rollout of LIPA's newly announced CDG programs, which will be reviewed at the end of 2020 for potential adjustments.
- NYSEIA supports allowing Community Choice Aggregation (CCA) customers to be automatically enrolled in CDG projects, with a choice to "opt out" for non-participation.

RESIDENTIAL AND SMALL COMMERCIAL COMPENSATION: As New York moves past Phase One Net Energy Metering for the residential and small commercial segments, NYSEIA continues to advocate for accurate, viable and transparent compensation mechanisms that enable the scale-up of distributed solar deployment in line with New York’s CLCPA-mandated targets. Specifically, NYSEIA, through its leading role in the Clean Energy Parties (CEP) coalition, advocates for the New York PSC to undertake the following actions:

- Provide clear guidelines regarding what cost categories will be included in the contemplated \$/kW-month Customer Benefit Charge (CBC).
- Provide a hard cap on the level of the CBC for the bridge rate period.
- Provide a clear process for updating the CBC that will allow adjustments to the CBC levels in a statewide process.
- Exclude the small commercial segment (onsite systems below 750 kW-ac) from any CBC charges.

VALUE STACK COMPENSATION IMPROVEMENTS: NYSEIA continues to participate in the [Utility Marginal Cost of Service \(MCoS\) study proceeding](#) that influences DRV and LSRV elements of the VDER value stack. Specifically, NYSEIA advocates that the PSC undertake the following actions:

- Adopt PSC-approved calculation methodologies in 2020 DSIPs and MCoS filings.
- Use avoided T&D studies rather than traditional MCoS studies.
- Establish load forecasts that remove new DERs and are inclusive of electrification to meet the state’s climate goals.
- Improve transparency around key inputs and assumptions.

NY-SUN AND MW-BLOCK PROGRAM IMPROVEMENTS: NYSEIA recommends a number of improvements to the NY-Sun program in line with New York’s CLCPA-mandated target of 6 gigawatts of distributed solar by 2025. These include:

- Creating as much capacity as possible under the \$0.02/kWh proposed step-down Community Credit tranche by recycling MWs from attrited/canceled projects.
- Establishing a viable Community Adder to replace the Community Credit upon its expiration
- Reinstating NY-Sun incentives for Long Island.
- Increasing adders for brownfield and landfill projects.
- Establishing independent adders for public projects, low-income/affordable housing communities, and dual use agriculture/solar projects.
- Requiring projects be mechanically complete within 18 months of securing a MW-Block award.
- Establishing requirements to address outstanding projects remaining in the program for an extended period.

OTHER POLICY PRIORITIES

- NYSEIA continues to advocate for exempting any legislative expansion of Prevailing Wage requirements for solar projects 5 MW-ac and below.
- NYSEIA strongly supports extending New York’s residential tax credit to energy storage and raising the eligibility cap for this credit from \$5,000 to \$10,000.
- NYSEIA supports a three-year extension of New York City’s Property Tax Abatement, which is currently due to expire at the end of 2020.
- NYSEIA supports efforts to reform state and local building codes to ensure that new homes and businesses are built solar-ready.
- NYSEIA recommends allowing remote net-metered solar projects to serve multiple off-takers and the ability to interchange remote net-metered off-takers.
- NYSEIA advocates for the design and implementation of electric rates that properly value and enable a high penetration of distributed generation, while recognizing the interests of utility shareholders and non-generating customers.