

**STATE OF NEW YORK
PUBLIC SERVICE COMMISSION**

CASE 24-E-0084 Petition of New York Power Authority to Establish the Renewable Energy Access and Community Help Program.

**COMMENTS OF NEW YORK SOLAR ENERGY INDUSTRIES ASSOCIATION
(NYSEIA) ON THE PETITION OF THE POWER AUTHORITY OF THE STATE OF
NEW YORK TO ESTABLISH THE RENEWABLE ENERGY ACCESS AND
COMMUNITY HELP PROGRAM**

Dated April 29, 2024

Introduction

New York Solar Energy Industries Association (NYSEIA) appreciates the opportunity to provide feedback on the Petition of the Power Authority of the State of New York to Establish the Renewable Energy Access and Community Help Program (REACH).

NYSEIA broadly supports the intent of the REACH program, which is to provide direct utility bill credits to low-income or moderate-income electricity customers in disadvantaged communities using revenues from renewable energy projects planned, designed, developed, financed, constructed, owned, operated, maintained, or improved by NYPA. As the leading voice for the solar energy industry in New York, NYSEIA recognizes the unique supportive role that NYPA can play in providing clean energy solutions to low-income households and underserved communities.

The solar industry deeply appreciates the care NYPA has taken to ensure that participants in the REACH program can also participate in community solar. This dual participation can substantially amplify the value of the bill credits a low- to moderate-income (LMI) household can receive from all available programs, and is a goal NYSEIA shares. Many LMI households struggle to afford their energy bills, often spending a disproportionate amount of their income on utility expenses. These programs can serve as lifelines for many struggling families, helping them maintain access to essential services and improving their energy security. Allowing participation in multiple programs expands the support available to low-income households, providing them with a more robust safety net against rising energy costs and economic hardships that not only improves their quality of life but also helps prevent energy insecurity and the risk of utility disconnection.

Moreover, participating in multiple bill credit programs empowers LMI households to take control of their energy costs and build financial resilience. By accessing a variety of energy assistance options, such as bill discounts, subsidies, and rebates, these households can better manage their expenses and allocate their limited resources to other essential needs, such as food, healthcare, and education. Additionally, community solar programs often act as a gateway product to other energy efficiency behaviors. Participating in community solar programs allows LMI households to access the benefits of renewable energy, further lowering their energy expenses and contributing to environmental sustainability. Enabling LMI households to participate in multiple bill credit programs is crucial for promoting energy equity, reducing financial vulnerability, and fostering economic empowerment within marginalized communities. NYSEIA applauds NYPA's foresight in this matter.

That said, it is important to note that the intent of the REACH program is functionally identical to the intent of the proposed Statewide Solar for All (S-SFA) program. The main exceptions are

that: 1) the REACH program would allow utility-scale renewable energy projects to participate; and 2) the REACH program would be funded exclusively by revenues from NYPA owned projects and charitable contributions. Due to these similarities, NYSEIA's concerns are similar to those we expressed in our feedback on the S-SFA proposal. The state is proposing multiple parallel utility-administered programs to provide bill savings to LMI households, potentially leading to customer confusion, inefficiencies, and duplication of efforts. While both initiatives aim to address energy equity issues and ensure that LMI households can access the benefits of solar energy, we believe that coordination and collaboration between the two programs is essential to avoid redundancy and maximize their collective impact. We are concerned that the existence of two separate programs with similar objectives could confuse stakeholders and beneficiaries, making it challenging to navigate and understand available resources. NYSEIA emphasizes the importance of ensuring that resources and funding are effectively allocated to avoid duplicative administrative costs and streamline efforts in advancing clean energy accessibility across New York State.

REACH must be designed in the context of NYPA's yet-to-be-established renewable energy development plan.

NYSEIA offers the following feedback for the Commission's consideration, however, we note that it is challenging to provide detailed feedback without having a clear understanding of what kinds of projects NYPA plans to own, whether NYPA plans to self-develop or acquire those projects, and to what extent NYPA plans to partner with New York's existing distributed solar industry to deploy clean energy projects in New York. NYSEIA recommends that the Commission solicit additional input on the REACH proposal in combination with NYPA's strategic plan for the Build Public Renewables Act.

REACH must complement New York's successful opt-in community solar programs.

New York is a nation-leading market for community solar. Preserving the integrity and growth of New York's opt-in community solar market is crucial for advancing renewable energy access and fostering community engagement on energy efficiency and affordability issues. The legislative intent of the Build Public Renewables Act was that the REACH program benefits be additive to the benefits of any other program or benefit eligible customers already receive, including from existing opt-in community solar programs¹. NYSEIA asserts that the legislative intent of additionality extends beyond the bill savings for individual participating customers, and also applies to the distributed solar market and New York's progress toward CLCPA goals. To this end, REACH, Statewide Solar for All, and any other opt-out low-income bill credit programs contemplated by the State should complement rather than compete with the opt-in

¹ New York State Build Public Renewables Act, NY PSL § 66-p

community solar market to ensure that these programs augment New York's efforts to achieve its ambitious clean energy goals without negatively impacting opt-in CDG programs.

Opt-in CDG programs provide unique benefits that opt-out programs like REACH and S-SFA will not. Opt-in programs provide the opportunity for public education and other community outreach efforts to LMI households, and empowers and encourages them to take control of their energy consumption by choosing to benefit from local clean energy. These programs often provide deeper monthly bill savings to subscribers, enabling those households to redirect limited resources to other necessities. Opt-in community solar also allows the benefits of clean energy to reach disadvantaged community (DAC) residents and the many LMI households who are not already participating in energy affordability programs. Ensuring that REACH benefits can supplement these existing benefits will allow NYPA's program to be a powerful force for equity and environmental justice.

To achieve additionality, REACH projects must not be eligible for NY-Sun incentives.

To optimize the benefits of New York's opt-in community solar programs and the proposed REACH program, it's important that NY-Sun incentives are not available to REACH projects. NY-Sun incentives play a key role in incentivizing private investment in solar energy projects, driving innovation, and stimulating job creation within the solar industry. Directing these incentives to REACH projects, which will already receive substantial funding from other sources, may not provide the same level of leverage in attracting private investment and fostering economic growth in the solar sector. It is also worth noting that, at the current pace of deployment, NYSEIA estimates the current NY-Sun funding could be fully allocated by the end of 2025. As of now, it's unclear what comes next. Redirecting incentives to REACH projects would accelerate that timeline, diminishing the impact of state investments in distributed solar, and risking a lapse in funding that is critically needed to ensure New York can achieve its clean energy goals. Maintaining a clear focus on opt-in community solar projects for NY-Sun incentives can help ensure that the program's limited funding continues to catalyze the expansion of New York's community solar market, reinforcing New York's status as a leader in the community solar space, and effectively contribute to the state's renewable energy goals.

By diverting NY-Sun incentives to the REACH program, the State risks cannibalizing available incentives and crowding out growth opportunities for community solar providers who have helped New York achieve a majority share of the national community solar market. This could hinder the diversity and competitiveness of the solar industry in New York, potentially stifling innovation and limiting consumer choice. Therefore, it is critical to ensure that NY-Sun incentives are distributed equitably and strategically to maximize their impact on solar energy adoption while avoiding unintended consequences for the broader clean energy ecosystem in the state.

The State should consider having REACH projects participate directly in Statewide Solar for All.

In their proposal, NYPA references multiple times their intent to mirror other low-income bill credit initiatives like Solar for All in the eligibility and enrollment criteria for REACH, as well as the compensation mechanisms and the manner in which the program would be administered. To this end, NYPA also proposes that “to maximize the impact and ratepayer awareness of both programs”, REACH bill credits should be aggregated with Solar for All bill credits on a single billing line. NYPA asserts that this “will lessen the possibility of customer confusion and will streamline the administrative effort of the utilities, minimizing program costs and maximizing program benefits.”

NYSEIA agrees that streamlining the State’s multiple low-income bill credit programs is a logical approach, and recommends that the State should consider directing NYPA to participate directly in Statewide Solar for All. Rather than creating a parallel program to accomplish the same goals, it is sensible to leverage both programs in a way that could potentiate the benefits of each. Participation in the Statewide Solar for All program presents a compelling opportunity for the REACH program to further its mission of providing the benefits of clean energy to LMI households across New York State. The Solar for All program is specifically designed to increase access to solar energy for underserved communities, aligning well with the goals of REACH. By leveraging the billing/crediting infrastructure of the proposed Statewide Solar for All program, NYPA can leverage its expertise and resources to provide greater benefits to households in need. This partnership could provide critical support for the distribution of benefits in areas that may face financial or logistical barriers to solar adoption. By pooling their efforts and resources, REACH and Solar for All can maximize the impact of their respective initiatives, ensuring that no community is left behind in the transition to clean energy.

Conclusion

NYSEIA supports the goals of the NYPA REACH proposal, but advocates for an additive approach that will reinforce the principle of energy equity by enhancing access to renewable energy benefits for underserved communities. We strongly urge the State to consider the potential impact on the opt-in community solar market to ensure that these programs complement rather than compete with existing efforts to expand renewable energy accessibility. By building upon the foundation established by existing community solar programs, REACH can help bring additional clean energy and bill savings to energy burdened LMI households . This strategic alignment ensures that the benefits of renewable energy expansion are distributed equitably, helping to address disparities in energy access and affordability while advancing environmental justice objectives. In doing so, REACH not only amplifies the impact of

community solar initiatives, but it also strengthens the resilience and inclusivity of New York's renewable energy transition.

The solar industry also has concerns about potential redundancy and overlap with the proposed Statewide Solar for All program. We strongly encourage the State to consider the importance of coordination and collaboration between the programs to avoid duplication of efforts and ensure efficient allocation of resources. While we acknowledge the value of both programs' shared objective of addressing energy equity issues and promoting solar access for low-income households, NYSEIA advocates for strategic integration and alignment of the programs to maximize their collective impact and streamline clean energy initiatives across New York State.