27 August 2018

Hon. Kathleen H. Burgess
Secretary to the Commission
New York State Public Service Commission
Three Empire State Plaza
Albany, NY 12223-1350

Case 15-E-0751

In the Matter of the Value of Distributed Energy Resources

Dear Secretary Burgess,

SunCommon submits the following comments regarding the DPS Staff draft whitepaper filed July 26th in the above referenced proceeding. SunCommon is a dba of Hudson Valley Clean Energy, Inc., which formerly operated under the dba Hudson Solar.

Our comments are directed at the proposal to expand the application of Phase One NEM for certain on-site projects. We agree with the statement that the Value Stack is not well-suited for use in all segments and in all markets. It is particularly not well-suited at the current time to the stage of development of the commercial and small CDG markets. As one of the few active participants in these segments, we offer the following suggestions at this time:

1. Phase One NEM should be available as an option to all behind the meter projects with a capacity of 750 kW or lower, as proposed in the whitepaper.

NYSERDA’s value stack calculator, while extremely helpful, has gone through numerous improvements and iterations over the last year. Furthermore, the implementation of utility metering arrangements to accommodate the value stack has to date been confusing and a painful learning exercise for both developers and customers of smaller projects. In short, it’s been very difficult to explain to customers the compensation they are going to get under value stack, and how much the new metering arrangement will cost them. For these reasons, all smaller projects, including those in process or turned on under value stack, should be given the option of choosing Phase One NEM, for a limited time as proposed.
2. The extension of Phase One NEM should apply to smaller Remote Net Metered projects. It does not make sense to exclude non-residential or farm customers from this proposed extension of Phase One NEM solely because their metering situation or site layout makes RNM a more cost effective option.

3. The CDG market itself is segmenting, with larger 2 to 5 MW projects in development along with smaller 200 kW to 750 kW projects. The smaller projects serve a unique market need for close-to-community solar, in areas of the state where larger 15 acre and above projects cannot be permitted due to local land use, small lot size, zoning, scenic view shed, and other restrictions. Smaller CDG systems, sometimes under an acre in size, can be very appealing to many communities. These smaller CDG projects, however, incur higher per unit development, interconnection, and EPC costs. Phase One NEM should be extended for a limited time to help develop the market for these smaller close-to-community CDG projects.

We thank Staff for their willingness to respond to market developments and consider changes to the Value Stack, and also for allowing the industry the opportunity to provide comments and suggestions.

Sincerely,

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