



**ENVIRONMENTAL  
ADVOCATES OF NEW YORK**

YOUR GOVERNMENT WATCHDOG

July 30, 2012

**VIA E-MAIL**

Honorable Jaclyn A. Brillling  
Secretary  
New York State Public Service Commission  
Building 3, Empire State Plaza  
Albany, NY 12223-1350

RE: Case 08-E-1305

Dear Secretary Brillling:

Environmental Advocates of New York's mission is to protect our air, land, water and wildlife and the health of all New Yorkers. Based in Albany, New York, we monitor state government, evaluate proposed laws, and champion policies and practices that will ensure the responsible stewardship of our shared environment. Environmental Advocates works alone and in coalitions and has more than 9,000 individual members. We work to support and strengthen the efforts of New York's environmental community and to make our state a national leader.

We are submitting these brief comments in support of the petition filed by Hudson Valley Clean Energy, which requests that the Commission act expeditiously to order Central Hudson to raise the cap on the amount of net metered systems allowed to interconnect to its electric grid. We also request that the Commission act to ensure continuity for customers and installers in *every* utility territory and to prevent the halting of interconnections in the future through periodic reviews and increases in utility caps on net metered systems. This is especially important given the State's recent adoption of a program (NY-Sun) to increase the amount of solar energy systems installed in New York through 2016.

Promoting clean, renewable sources of electric power through net metering policy is a sound way to help protect New York's environment. Net-metering encourages customer investment in renewable energy such as on-site wind, digesters and solar systems. On-site renewable power systems reduce stress on the electric grid, allow consumers to hedge

against volatile and rising energy costs, and provide environmental, public health, and economic development benefits. By reducing the demand for power generated by burning fossil fuels, net-metered renewable systems help protect New Yorkers from the harmful effects of air pollution. These harmful effects include asthma attacks and premature deaths in seniors, increased mercury contamination, destruction of forests by acid rain, as well as wide-ranging negative effects associated with global climate change.

Without net metering, the financial attractiveness of investing in on-site clean power generation is severely reduced. In addition, without net metering, owners of these systems would at times be providing power for free to their utility, who would in turn sell it to others at retail rates. The utility would be increasing its profits at the expense of the consumers with on-site systems. Each of the PSC-regulated utilities has a cap on net metered systems set by statute with the caveat that they may exceed the cap at any time at their discretion and, in addition, that the Commission can raise the cap if it finds doing so is in the public interest.

Central Hudson recently notified renewable energy system installers and customers in its service territory that it would no longer provide net metering since it has reached its cap of 12 MW. An immediate cessation of net metering will (and in fact, may already) have an immediate impact on customer's willingness to install a system and, as a consequence, on the installers. Many solar installers are small, local businesses that cannot survive without a continuous stream of projects. A disruption of several months may very well drive some of them out of business. We see no reason for Central Hudson to immediately cease providing net metering when it is within their discretion to continue it; we believe they should do so until the Commission acts on this issue.

Increased use of on-site renewable power is in keeping with State energy policy as evidenced by NYSERDA programs in support of the customer-sited tier of the Renewable Portfolio Standard (RPS), and more recently by the adoption of the NY-Sun program. Increased use of on-site renewable power is also in keeping with state climate policy and state goal to reduce climate pollution 80 percent from 1990 levels by the year 2050. In addition, the reduced air pollution from increased renewable generation that is incentivized by net metering is in the public interest.

Public Service Law authorizes the Commission to increase the ceiling on the total megawatts eligible for net metering from cumulative installations if the Commission determines that additional net metering is in the public interest. The installation of photovoltaic and on-site wind systems is contributing to the generation of electricity from clean, renewable, distributed sources. Net metering assists customers by providing stable-priced clean power, supports economic development by supporting local businesses, and reduces stress on the grid at times of peak demand without contributing to the erosion of air quality. This is clearly in the public interest.

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Environmental Advocates urges the Commission to act expeditiously to ensure continued availability of net metering within Central Hudson's territory. In addition, net metering caps for each utility should be raised significantly enough to cover the expected installations under the NY-Sun program. Continued increases in the use of clean power generation benefits the public at large, helps consumers lower their electric bills, reduces pollution and merits PSC and utility support.

Respectfully submitted,



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Air & Energy Program Director  
Environmental Advocates of New York

cc: Robert Hallman, Governor's Office  
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