

**NY-Sun**

---

**2020 – 2025 Operating Plan**

Prepared by:

**New York State Energy Research and Development Authority  
Albany, NY**

EFFECTIVE  
6/1/2020

## TABLE OF CONTENTS

1	INTRODUCTION.....	3
1.1	COVID-19 Emergency and the New York on PAUSE Executive Order .....	3
1.2	Background.....	3
1.3	PV + Energy Storage .....	4
2	MW BLOCK PROGRAM .....	5
2.1	MW Block Incentives .....	5
2.2	MW Block Incentive Structure .....	6
2.3	Incentive Adders for the MW Block Program .....	7
2.3.1	Parking/Rooftop Canopy Adder and Landfill/Brownfield Adder .....	7
2.3.2	Community Adder .....	8
2.4	Unallocated Funds .....	9
2.5	Flexibility to Adapt to Market Conditions .....	9
2.6	MW Block Program Participation Criteria .....	9
2.6.1	Residential and Nonresidential Contractor or Builder Program Participation Requirements .....	9
2.6.2	Commercial and Industrial Contractor Program Participation Requirements .....	10
2.7	Quality Assurance/Quality Control (QA/QC).....	11
3	Solar Energy Equity Framework .....	12
3.1	Current Program Activities as of May 2020 .....	13
3.1.1	Low-to-Moderate Income Onsite Residential Customer Incentive Adder .....	13
3.1.2	Affordable Multifamily Housing Incentive Adder .....	13
3.1.3	Technical Assistance & Predevelopment .....	14
3.2	Program Strategies in Development as of May 2020 .....	14
3.2.1	Community Solar .....	14
3.2.2	Solar Paired with Storage .....	14
3.2.3	Solar Deployments that Support the Potential for Solar and Energy Storage to Repower or Replace Electric Generating Peaker Units.....	15
4	NY-SUN BUDGET & PERFORMANCE EXPECTATIONS.....	16
5	PROGRAM ADMINISTRATION and Implementation .....	17
6	EVALUATION.....	18
6.1	Impact Evaluation .....	18
6.2	Market and Process Evaluation.....	18
6.3	Evaluation Budget.....	18
7	APPENDIX: MW BLOCK INCENTIVE STRUCTURE .....	19

# 1 INTRODUCTION

---

This NY-Sun Operating Plan, hereinafter the “2020 Operating Plan”, sets forth the program goals and implementation strategies for the NY- Sun Program under the Clean Energy Fund (CEF). The 2020 Operating Plan replaces the 2016-2023 Operating Plan and any amendments thereto, and incorporates revisions to NY-Sun to achieve the goal of 6,000 MegaWatt direct current (MWdc) of distributed photovoltaic (PV) deployment by 2025, expanded from 3,000 MWdc by 2023. On May 14, 2020, the Public Service Commission issued an Order Extending and Expanding Distributed Solar Incentives<sup>1</sup>, which authorizes additional program funds to achieve the expanded goal of 6,000 MWdc by 2025.

NY-Sun, a comprehensive initiative established by Governor Andrew M. Cuomo in 2012 to develop a sustainable and subsidy-free solar PV industry in New York State, consists of numerous components to be implemented by NYSERDA in collaboration with the New York Power Authority (NYPA) and the Long Island Power Authority (LIPA). Components of NY-Sun include a PV incentive program, consumer education, technical assistance to local governments, training, reduction of soft costs of installation, and initiatives to improve access to solar electric energy for low to moderate income (LMI) customers, affordable housing, environmental justice communities and disadvantaged communities. The 2020 Operating Plan will describe those components funded through the CEF, with additional information at a less detailed level for initiatives pertinent to NY-Sun but funded via other sources (e.g., the Regional Greenhouse Gas Initiative (RGGI)). Further information regarding NY-Sun can be found on the web site, <http://ny-sun.ny.gov/>.

## 1.1 COVID-19 Emergency and the New York on PAUSE Executive Order

On March 20, 2020, Governor Cuomo signed the New York on PAUSE Executive Order (NY on PAUSE) in response to the outbreak of the COVID-19 novel coronavirus in New York State. To address the impact of NY on PAUSE and the broader economic disruption caused by COVID-19, NYSERDA, in consultation with the Department of Public Service (DPS) and stakeholders, has made several temporary adjustments to the program rules and processes as detailed in the “COVID-19 Addendum to the NY-Sun Program Manual.”<sup>2</sup>

## 1.2 Background

In April of 2014 the Commission issued an Order<sup>3</sup> whereby the Commission authorized NYSERDA to allocate up to \$960.556 million to support, implement and administer eligible PV programs during the term 2016 through 2023; approved initial design criteria for the MegaWatt (MW) Block program; and authorized NYSERDA to use \$13 million of program funds to advance participation by LMI customers. Subsequently, in January 2016, the Commission authorized the CEF Framework and identified NY-Sun to be one of the four main portfolios of activity within the CEF, and authorized the collections of funds as allocated by the April 2014 Order.<sup>4</sup>

In 2019, Governor Cuomo signed the Climate Leadership and Community Protection Act (CLCPA) that requires New York to achieve a carbon free electricity system by 2040 and reduce greenhouse gas emissions 85% below 1990 levels by 2050. The implementation of the CLCPA is purposed to target investments to benefit disadvantaged communities, create new jobs, improve public health and quality of life and provide all New Yorkers with more robust clean energy choices. In advancing the clean energy investments, the CLCPA

---

<sup>1</sup> Case 19-E-0735, Proceeding on Motion of New York State Energy Research and Development Authority Requesting Additional NY-Sun Program Funding and Extension of Program Through 2025, Order Extending and Expanding Distributed Solar Incentives (issued and effective May 14, 2020) (May 2020 Order).

<sup>2</sup> “COVID-19 Addendum to the NY-Sun Program Manual,” <https://www.nyserdera.ny.gov/All-Programs/Programs/NY-Sun/Contractors/Resources-for-Contractors>. Posted April 17, 2020.

<sup>3</sup> Case 03-E-0188, Proceeding on Motion of the Commission Regarding a Retail Renewable Portfolio Standard, Order Authorizing Funding and Implementation of the Solar Photovoltaic MW Block Programs (issued and effective April 24, 2014) (April 2014 Order).

<sup>4</sup> Case 14-M-0094, Proceeding on Motion of the Commission to Consider a Clean Energy Fund, Order Authorizing the Clean Energy Fund (issued and effective January 21, 2016).

codified commitment to install 6,000 MWdc of distributed solar by 2025.

In May of 2020 the Commission issued an Order (May 2020 Order) in response to a November 25, 2019 NYSEDA Petition (November 2019 Petition) by which NYSEDA requested approval of an additional \$573 million in program funds to achieve the expanded goal of 6,000 MWdc by 2025. In the May 2020 Order, the Commission authorized NYSEDA to allocate these funds, approved modifications to the MW Block program, and required NYSEDA to dedicate \$135 million to projects benefitting LMI customers, affordable housing, environmental justice communities, and disadvantaged communities.

The MW Block program is administered by NYSEDA as a single, coordinated statewide program, and is offered to customers in all relevant sectors on a standard-offer, first-come-first served basis. Funding for the program will be provided through the CEF surcharge for customers of the investor-owned utilities who pay the CEF surcharge on their utility bill. Funding for the program for customers that do not pay the CEF surcharge; including customers served by NYPA and municipal utilities, will be provided by RGGI funds, subject to availability. Customers of LIPA were eligible for MW Block program funding for projects up to 750 kWdc prior to the commitment of available RGGI funds in 2018.

### 1.3 PV + Energy Storage

On December 13, 2018, the Commission established a statewide energy storage goal to install up to 3,000 MW of qualified energy storage systems by 2030, with an interim objective of deploying 1,500 MW by 2025. In the Energy Storage Order,<sup>5</sup> the Commission authorized additional funding of \$310 million for an Energy Storage Market Acceleration Bridge Incentive, administered by NYSEDA. Previously approved NY-Sun CEF funds included \$40 million for storage paired with PV systems and \$55 million in energy storage incentive funds for projects located on Long Island. NYSEDA describes how it administers the energy storage incentives through the Retail Energy Storage Incentive Program and the Bulk Energy Storage Incentive Program in its previously approved implementation plan.<sup>6</sup>

As stated in the State of Storage Report,<sup>7</sup> the technology's declining costs and ability to pair storage with PV as well as capturing additional revenue streams, indicates energy storage is increasingly being used to augment the existing pipeline of distributed PV projects being developed in the State. Currently, 95% of the energy storage projects approved or completed in the Retail Energy Storage Incentive Program are paired with PV and predominantly use a Community Distributed Generation (CDG) configuration. On Long Island, residential storage systems are increasingly being paired with PV to help LIPA relieve grid demands during peak summer days.

Energy storage soft cost reduction activities are coordinated with the NY-Sun Program as described in the Reducing Barriers to Distributed Energy Storage Investment Plan<sup>8</sup> filed under the CEF. The Plan includes resources for reducing soft costs associated with customer or site identification, permitting and siting, interconnection, design and engineering, and revenue risk that results with higher financing costs. Technical assistance resources are also available, in coordination with NY-Sun's Solar Energy Equity Framework (Section 3), for projects serving LMI customers, affordable housing providers, and other facilities in disadvantaged communities that seek to deploy energy storage in conjunction with other on-site clean generation, such as PV.

---

<sup>5</sup> Case 18-E-0130, In the Matter of Energy Storage Deployment Program, Order Establishing Energy Storage Goal and Deployment Policy (issued December 18, 2018) (Energy Storage Order).

<http://documents.dps.ny.gov/public/Common/ViewDoc.aspx?DocRefId=%7bfDE2C318-277F-4701-B7D6-C70FCE0C6266%7d>

<sup>6</sup> Case 18-E-0130, In the Matter of Energy Storage Deployment Program, Energy Storage Market Acceleration Incentives Implementation Plan, (Revised January 27, 2020).

<http://documents.dps.ny.gov/public/MatterManagement/CaseMaster.aspx?MatterSeq=55960>

<sup>7</sup> Case 18-E-0130, In the Matter of Energy Storage Deployment Program, First Annual State of Storage Report, (April 1, 2020).

<http://documents.dps.ny.gov/public/Common/ViewDoc.aspx?DocRefId=%7bEE291D9C-F169-4B37-97EB-7182C5F062BF%7d>

<sup>8</sup> Matter 16-00681, In the Matter of the Clean Energy Fund Investment Plan, Clean Energy Fund Investment Plan: Energy Storage Chapter, (Revised September 13, 2019). This chapter includes the Reducing Barriers to Deploying Distributed Energy Storage initiative as well as the Solar Plus Energy Storage initiative. <https://www.nyserda.ny.gov/-/media/Files/About/Clean-Energy-Fund/CEF-Energy-Storage.pdf>

## 2 MW BLOCK PROGRAM

---

The MW Block program provides certainty and transparency regarding incentive levels, accounts for regional market differences, and provides a clear signal to industry that New York intends to ramp down and eliminate cash incentives in a reasonable timeframe. It allows for the early elimination of incentives in regions where the market conditions; such as market penetration, demand, and cost-effectiveness, support it. The goal of the MW Block program, in combination with other components of NY-Sun, is to deploy 6,000 MWdc of distributed PV by 2025 and facilitate a self-sustaining PV industry in New York.

The initial program design was approved by the Commission in the April 2014 Order. Since then, several factors have caused market conditions to change, including the Value of Distributed Energy Resources (VDER) Order, issued on March 9, 2017. As a result, after consultation with stakeholders and DPS, NYSERDA redesigned elements of the MW Block program in June 2018.

This 2020 Operating Plan maintains the structure of the existing MW Block program. As authorized by the May 2020 Order, NYSERDA will add 1,910 MWdc of new capacity to the MW block structure (see Table 2-1). The new blocks, coupled with the original block design and distributed PV projects built without NY-Sun incentives, will result in a statewide total of 6,000 MWdc by 2025.

### 2.1 MW Block Incentives

The MW Block program segments the New York State electrical utility service market into three separate regions: ConEdison (“ConEd region”), Orange & Rockland, Central Hudson Gas & Electric, New York State Gas & Electric, Rochester Gas & Electric, and National Grid (“Upstate region”), and PSEG Long Island (“Long Island region”). The program further segments the market into three sectors based on system size measured in DC Watts: residential, nonresidential, and commercial/industrial. These segments are organized into the MW Block structure, consisting of declining incentive blocks. The complete MW Block incentive structure is detailed in the Appendix and can be monitored in real time through the online MW Block dashboard<sup>9</sup>.

The program offers capacity-based (fixed rate incentives per DC Watt) incentives for residential projects up to 25 kWdc and nonresidential projects up to 750 kWdc for the Upstate region and up to 7.5 MWdc for the ConEd region. It offers performance-based incentives (not-to-exceed amount per DC Watt) for commercial/industrial (C/I) projects up to 7.5 MWdc in the Upstate region. Residential and nonresidential incentives were offered in the Long Island region until RGGI funding was fully committed. The Long Island residential sector was fully subscribed on April 16, 2016 with an installed capacity of 122MW. The Long Island nonresidential block was fully subscribed on February 13, 2019 with an installed capacity of 84 MW.

Incentive applications are submitted through a central database managed by NYSERDA. Information required in the application includes the project’s address and electric utility service provider, which enables NYSERDA to apply the appropriate funding source (RGGI or CEF). As required in the April 2014 Order, NYSERDA must identify the RGGI funds used to support the MW Block Program, distinguishing such funds from CEF funds also being used to support the program.

NYSERDA tracks the status of each MW block on the NY-Sun website, which includes the date that each block was initiated, the incentive level for each block, and the date a block closes. Through the MW Block dashboard, developers can monitor block status, and access real-time information regarding the likely timing for incentive changes. Each region and system size category are tracked separately, and regional demand will drive the rate at which each block is subscribed. NYSERDA will report the number of MW installed in each block in the NY-Sun Annual Report which documents the number of MW installed. Blocks can differ from the original allocation because of cancellations, project budgetary re-allocation or project adjustments

---

<sup>9</sup> <https://www.nyserdera.ny.gov/All-Programs/Programs/NY-Sun/Contractors/How-the-Dashboard-Works>.

once a block is closed. NYSERDA will also present online Solar Data Maps showing the number of PV projects and installed capacity statewide and will provide downloadable data on all NYSERDA-funded PV projects through Open NY.

As stated in Section 1.1, NY-Sun provides RGGI incentives for PV installations for customers that do not pay into the CEF surcharge and are not customers of LIPA (e.g., customers of NYPA and municipal utilities). In order to receive the RGGI incentive, these customers are served on a first-come, first-served basis, subject to availability of funds and the capacity associated with a project will be counted toward the appropriate MW block, based on sector and region. As a result, any CEF funds that remain uncommitted in a block after the block has been fully subscribed, will be reallocated as described in Section 2.5.

To encourage the installation of cost-effective PV systems and to make PV available to a greater number of customers, NYSERDA will facilitate access to financing to further stimulate the growth of the industry. For example, customers can also access financing for PV systems through Green Jobs-Green New York to the extent that funding is available.<sup>10</sup> PV developers are encouraged to explore financing options through the New York Green Bank<sup>11</sup> in coordination with other investors and financial institutions. NYSERDA also provides consumer education on the characteristics of PV systems, community solar subscriptions vs. rooftop installation options, and information on the variety of purchase and leasing options in the market. Such activities help to reduce the “soft costs,” (non-installation costs), of PV projects.

The program requires that an electric energy efficiency audit be completed and encourages energy efficiency implementation as another approach to cost-effectively meet the energy saving needs of households and businesses. Residential members of Community Distributed Generation projects are not required to complete electric energy efficiency audit.

**Table 2-1. Summary of MW Block and Revisions**

Region/Sector		System Sizes	Added Capacity	Revised Capacity
Upstate	Residential	Up to 25 kWdc	100 MWdc	544 MWdc
	Nonresidential	Up to 750kWdc	None	451 MWdc
	Commercial/Industrial	750kWdc to 7.5MWdc	1,810 MWdc	3,165 MWdc
Con Ed	Residential	Up to 25 kWdc	None	302 MWdc
	Nonresidential	Up to 7.5 MWdc	None	448 MWdc
<b>Subtotal</b>				<b>4,910 MWdc</b>
Long Island	Residential	Up to 25 kWdc	None- fully allocated	122 MWdc
	Nonresidential	Up to 750 kWdc	None- fully allocated	58 MWdc
<b>Total Statewide<sup>12</sup></b>				<b>5,090 MWdc</b>

## 2.2 MW Block Incentive Structure

Details of the complete MW Block incentive structure is in the Appendix. Changes to the MW Block structure

<sup>10</sup> Public Authorities Law, Title 9-A, sections 1890-1899-a, “Green Jobs-Green New York Act of 2009.”

<sup>11</sup> Case 13-M-0412, Order Establishing NY Green Bank and Providing Initial Capitalization (issued and effective December 19, 2013).

<sup>12</sup> The 6,000MW statewide distributed goal consists of the 5,090MW shown above plus an additional 910MW either installed prior to the launch of the MW Block program or installed without direct NYSERDA incentive support.

in this 2020 Operating Plan are described in the tables below. There are no changes to the ConEd, Long Island, Upstate nonresidential blocks.

**Table 2-2. Changes to the Upstate Residential Block Structure**

The Upstate Residential Block Structure includes all existing residential systems in the Upstate region up to 25 kWdc. NYSERDA will add an extra block capacity totaling up to 100 MWdc, and an additional 30 MWdc to Block 8. NYSERDA will add up to 70 MWdc capacity and adjust incentive rates, as appropriate once information becomes available on the mass market rate design that will replace net energy metering (NEM).

Blocks	New MW	Incentive/Watt
8	30	\$0.35
9+	TBD	TBD

**Table 2-3. Changes to the Upstate Commercial/Industrial Block Structure**

The Upstate Commercial/Industrial Block Structure include PV systems in the Upstate region ranging from 750 kWdc to 7.5 MWdc. MW Block 14 and 15 were launched prior to the filing of this 2020 Operating Plan, using uncommitted program funds. NYSERDA is considering future adjustments to the exact capacity and incentive rates of Blocks 16 and 17 based on continual analysis of market conditions and project economics.

Block	New MW	Incentive/Watt
14	575	\$0.17
15	410	\$0.15
16	410	\$0.13
17	415	\$0.11

**2.3 Incentive Adders for the MW Block Program**

As authorized by the May 2020 Order, NYSERDA will offer a set of incentive adders to support PV deployment in specific market segments. Incentive adders are an effective way to encourage projects that contribute to the NY-Sun capacity goals while also meeting other policy or market objectives, such as opening new types of project sites for development. To better accommodate changing market conditions and for efficient administration of the program, NYSERDA may shift funds between different incentive adder offerings, and between adder and base incentives, following the procedure described in section 2.1.5 of this 2020 Operating Plan. This section does not apply to the specific incentive adders designed to support projects benefitting LMI households, affordable housing, environmental justice communities, and disadvantaged communities, which is detailed in Section 3.

**2.3.1 Parking/Rooftop Canopy Adder and Landfill/Brownfield Adder**

NYSERDA will offer up to a total of \$19 million in funding for the following incentive adders:

**Parking and Rooftop Canopy Adder**

- Available for ConEd nonresidential projects only;
- Rooftop adder is applied up to the first 25 kWdc of an eligible project;
- Parking Canopy adder may be applied to entire eligible project capacity.
- For projects in ConEd nonresidential blocks 6 and 7 the incentive adder rate will be \$0.25 per Watt DC; for blocks 8 and 9 the incentive adder rate will be \$0.25 per Watt DC; for blocks 10 and 11 the incentive adder rate will be \$0.20 per Watt DC.

**Landfill/Brownfield Adder**

- Available for all nonresidential and commercial/industrial projects;
- Incentive adder rate of \$0.15 per Watt DC for all eligible capacity.

**2.3.2 Community Adder**

As authorized in the May 2020 Order and the April 2019 Order Regarding Value Stack Compensation<sup>8</sup>, NYSEDA will offer the “Community Adder” for Community Distributed Generation projects in utility territories where the Community Credit and Market Transition allocations have been fully committed. The Community Adder will step down in capacity blocks, as shown in Table 2-4. In accordance with the May 2020 Order, Statewide Tranche 1 is only available to projects that have completed Step 6 of the New York State Standard Interconnection Requirements (advance payment of 25% of the utility’s estimated interconnection costs) prior to May 14, 2020. NYSEDA will publish an online dashboard displaying the Community Adder rate(s) and remaining capacity in each block. NYSEDA may adjust Community Adder rates due to changing market conditions as described in Section 2.5.

**Table 2-4. Community Adder Offerings: Total Budget of \$154M**

<b>Adder</b>	<b>Available For</b>	<b>Total MWdc Available</b>	<b>Incentive Rate per Watt DC</b>	<b>Budget in \$M</b>
O&R CA	Orange and Rockland	65 MWdc	\$0.25/Watt if qualifying before 4/18/2019, otherwise \$0.15/Watt	\$43M shared between O&R and Central Hudson
Central Hudson CA	Central Hudson	102 MWdc	\$0.40/Watt if qualifying before 4/18/2019, otherwise \$0.30/Watt	
Statewide CA Tranche 1	All Investor-Owned Utilities, with the exception of Con Ed, currently without a Community Credit or Community Adder offering	250 MWdc	\$0.22/Watt	\$111M split across multiple tranches
Statewide CA Tranche 2	All Investor-Owned Utilities, with the exception of Con Ed, currently without a Community Credit or Community Adder offering	200 MWdc	\$0.18/Watt	



Statewide CA Tranche 3	All Investor-Owned Utilities, with the exception of Con Ed, currently without a Community Credit or Community Adder offering	TBD	TBD	
------------------------	--	-----	-----	--

**2.4 Unallocated Funds**

The May 2020 Order authorizes \$44M of unallocated funds that NYSERDA may use, if needed, to bolster existing block rates, increase block sizes, or provide support through incentive adders, including the Community Adder. Project economics are subject to many policy and market factors, such as energy pricing, costs of imported components, and federal policy. This unallocated budget ensures that NYSERDA has the resources necessary to adjust the NY-Sun program to account for unforeseeable economic hurdles, which could otherwise prevent NY State from achieving the 6,000 MWdc by 2025 goal.

**2.5 Flexibility to Adapt to Market Conditions**

NYSERDA will periodically monitor uptake in each region and sector. Market conditions are expected to change, and uptake in individual regions and sectors may exceed or fall below projections. When necessary to optimize the Program’s ability to achieve the overall 6,000 MWdc goal, NYSERDA may redesign the Block structure and reallocate funds from cancelled projects. The redesign of projects may include the reallocation of funding and capacity among sectors and regions. NYSERDA may also exercise the authority to make minor adjustments to the blocks and program rules to optimize program administration.

NYSERDA will share information with all stakeholders regarding program progress and market conditions by making data analysis publicly available. If changes to the program are necessary, NYSERDA will provide notice, gather market intelligence and consult with stakeholders. Program changes will be published on the website and subsequently reflected in periodic amendments to the Program Manual. If the necessary program changes conflict with the provisions contained herein, NYSERDA will file an addendum or a revised Operating Plan as necessary.

**2.6 MW Block Program Participation Criteria**

The MW Block program is divided into the residential, nonresidential and the commercial/industrial incentive program. A Program Manual that details the rules and regulations specific to each program is available. These documents describe the requirements for participation, requirements for incentive application, and the rules and processes related to incentive payments. Key criteria related to each program is described below.

**2.6.1 Residential and Nonresidential Contractor or Builder Program Participation Requirements**

New PV systems will be provided to residential and nonresidential customers through a network of NY-Sun eligible Contractors who will contract directly with the customer. The PV system’s installation will be overseen by a “Builder”. A contracting firm can apply for approval, by NYSERDA, for either participation as a Contractor only, a Builder only, or as both Contractor and Builder. NYSERDA’s primary financial and contractual relationship will be with the eligible Contractor. The application process requires Contractors and Builders to describe their experience with PV installations and provide references.

**Eligible Contractors:**

- Eligible contractors shall execute a binding Participation Agreement with NYSERDA;
- Contractors are responsible for the Builder’s performance;
- Contractors must remain compliant with all applicable program; rules; and
- Contractors will receive incentive payments, unless an alternative payment assignment has been agreed upon.

**Eligible Builders:**

- Eligible Builders are responsible for the installation and quality of projects under the supervision of an eligible contractor;
- Builders must have, at least, one technically competent certified installer, that must hold one of the three certification options described below; and
- Must agree to the terms of Builder / Contractor Relationship Agreement, which require, among other things, the maintenance of liability insurance.

NYSERDA requires that eligible Builders employ at least one technically competent certified installer that has at least one of the following certifications:

- North American Board of Certified Energy Practitioners (NABCEP) PV Installation Professional Certification,
- Journeymen Electrician, with documented International Brotherhood of Electrical Workers (IBEW)-National Electrical Prime Association (NECA) PV training and experience, such as that provided by the National Joint Apprenticeship and Technical Committee (NJATC) apprenticeship program; with a minimum of 40 hours of PV training,
- Underwriters Laboratories (UL) PV System Installer certification, or
- A Non-credentialed existing Builder with at least 24 months of prior NY-Sun installation experience and sufficient history of quality performance may be granted “Full” eligibility at the discretion of NYSERDA.

If additional certification becomes available, it will be listed on NYSERDA’s website.

Additionally, Contractors as well as the installations must meet all local requirements, including those of the utility service provider.

PV systems receiving residential/nonresidential incentives must meet the following criteria:

- The electrical output must be generated by new electric generation equipment that is electrically connected to the distribution grid after the date that NYSERDA received the Incentive Application.
- PV systems may be installed on new or existing residences or buildings, or be ground-mounted.
- The equipment must be new to the host site and be newly manufactured.
- All PV modules must be certified as meeting all applicable standards of the Institute of Electrical and Electronics Engineers (IEEE) and Underwriter’s Laboratory (UL) 1703 and Commission standards.
- All inverters must be: (i) certified as meeting applicable IEEE and UL standards and (ii) found on an approved list by the applicable IOU.
- A 5-year system warranty is required for purchased systems.
- A production guarantee is required for the term of all leases and power purchase agreements (PPA).
- Each PV system must have the ability to record system production in kWh. The Contractor may provide this information from a hard-wired PV production meter, on-line monitoring system, or inverter display recorded production.

**2.6.2 Commercial and Industrial Contractor Program Participation Requirements**

Any contracting firm can apply to NYSERDA for participation as a Contractor in the commercial/industrial program. Applicants must complete an online Contractor Application Form, agreeing to abide by the terms and conditions of the Participation Agreement.

Eligible Contractors are responsible for preparing and submitting all required PV Incentive Application documentation to NYSERDA.

PV systems must meet the following criteria:

- For all installations, the electrical output must be generated by new electric generation equipment that is electrically connected to the distribution grid after the date of the NYSERDA approved Incentive Application.
- The equipment must be new to the host site and be newly-manufactured.
- All PV modules must be certified as meeting applicable IEEE and UL 1703 standards.
- All inverters must be certified as meeting applicable IEEE and UL standards, and found on an approved list by the applicable IOU
- The eligible Contractor must provide, install, and maintain an internet enabled electric meter that displays instantaneous Alternating Current (AC) power and cumulative total AC energy production and, at a minimum, can record cumulative total AC energy production of the PV system on an hourly and time-stamped basis, store the hourly readings for at least 7 days, and transmit recorded readings once per day to a NYSERDA designated Data Agent.

## **2.7 Quality Assurance/Quality Control (QA/QC)**

The QA/QC process for the NY-Sun Program provides guidance and oversight for projects that receive NY-Sun incentives to ensure that projects meet applicable code requirements and high safety and performance standards. The overall goal is to ensure that partners can consistently provide customers with properly installed, safe, reliable solar PV systems that produce the projected amount of energy over their expected life cycle. Organizations that demonstrate a history of high QA scores receive streamlined oversight from NYSERDA. The QA/QC process consists of an onsite field inspection and/or construction photo documentation. Competitively selected third party technical experts, under contract with NYSERDA, will perform field inspections, photo review services and provide any technical assistance, if needed. NYSERDA staff may also perform reviews of the as-built photos and coordinate with Contractors and Builders regarding any corrective actions, if required.

QA/QC records will be maintained by NYSERDA in the program database. Specific functions such as inspection sampling, scheduling and field data collection will be maintained in a separate QA module. The program database is available to program staff, installers and QA/QC contractors and can be used to sample and review applications, identify installation status and ascertain quality performance.

PV systems installed by new Contractors or Builders in the Program, will be required to participate in increased onsite field inspections and as-built photo documentation to ensure a high standard of quality assurance. NYSERDA will select a representative sample of completed projects for either onsite field inspections or as-built photo evaluation based upon the Contractor or Builder's demonstrated quality performance and production volume. Contractors and Builders that have consistently demonstrated an ability to design and construct projects that meet the NY-Sun requirements will have less NYSERDA oversight. This allows NYSERDA to provide increased assistance in areas where there are quality concerns. Contractors and Builders who fail to meet the requirements of the Program will be placed on disciplinary action and/or terminated from the Program.

Contractors and Builders will receive detailed reports following the review of the photo and in-field assessment. These reports are designed to provide clear direction on any deficiencies found as well as any corrective action that must be taken. Performance reports are shared with the Contractors and Builders to facilitate continuous production improvement by effective feedback and internal training. Customers are also able to request a QA field inspection at no cost to the customer.

### **3 ENERGY AFFORDABILITY AND EQUITY FRAMEWORK**

---

NYSERDA is developing an Authority-wide Energy Affordability and Equity and stakeholder engagement framework that aligns with CLCPA goals and deliverables, and which will be inclusive of the Solar Energy Equity Framework proposed in the November 2019 Petition. The November 2019 Petition, proposed an expansion of the NY-Sun activities focused on low-to-moderate income (LMI) customers, affordable housing, environmental justice communities, and disadvantaged communities. The May 2020 Order authorized NYSERDA to dedicate an additional \$135 million exclusively to this purpose, complemented by funding from base MW Block incentives as well the uncommitted portion of the original \$13 million authorized by the April 2014 Order to increase access for LMI customers. NYSERDA will also leverage funding authorized in the Commission’s January 2016 Order Authorizing the Clean Energy Fund Framework; as well as RGGI funding, to the extent available, to serve LMI customers that do not pay surcharges that fund CEF.

NYSERDA acknowledges that the identification of disadvantaged communities and associated definitions will be subject to implementation of the CLCPA. Specifically, the CLCPA prioritizes and stipulates addressing the needs of disadvantaged communities, and ensuring that relevant program activities are responsive to the CLCPA provisions that 40% of the benefits of New York State’s energy investments be targeted to disadvantaged communities, with no less than 35% of the benefits to be received by disadvantaged communities. Therefore, NYSERDA anticipates revisiting program design for the activities described in this 2020 Operating Plan, and to modify as appropriate, upon implementation steps related to the CLCPA in alignment with NYSERDA’s Energy Affordability and Equity Framework.

As requested in the November 2019 Petition, most of the program funds will be structured as additional funding for eligible projects that will also receive the MW Block “base” incentives (described in section 2) for which they are eligible. Based on its initial assessment of market uptake and other policy and regulatory factors, NYSERDA estimates that at least \$65 million in base incentives and Community Adder incentives (described in section 2.1.3) would be coupled with the dedicated Solar Energy Equity budget, resulting in total expenditures of over \$200 million. NYSERDA will track and report the MW Block incentive funds leveraged in this way on an ongoing basis.

To operationalize as described in this section, the April 2020 Order authorizes NYSERDA: (1) to continue implementation of current program activities, with the modifications presented in this 2020 Operating Plan; and (2) to further develop the initial framework described in the November 2019 Petition into more detailed program strategies. NYSERDA will file an addendum or a revised Operating Plan as necessary to implement these strategies.

The further development of the program activities described below will center around a robust and inclusive stakeholder engagement process that will both respect prior stakeholder contributions and engage a wider range of relevant parties in program design, implementation and evaluation. NYSERDA plans to kickoff this process in June 2020, and will utilize activities including:

- Meetings (in-person and/or web-based) with stakeholder organizations to discuss affordability and equity barriers and ideas and review potential program design and partnership approaches;
- Requests for Information (RFIs) seeking formal feedback on proposed program design elements;
- Periodic web-based meetings to review progress and outcomes for active programs and discuss potential changes to programs or the stakeholder engagement process.

These activities will be informed by two recent successful stakeholder events: a September 2019 meeting co-hosted with the New York City Environmental Justice Alliance, which brought together a wide range of stakeholders to review challenges in the LMI solar programs to date and discuss potential strategies for the Solar Energy Equity Framework; and a January 2020 webinar that presented planned revisions to NYSERDA’s Predevelopment and Technical Assistance solicitation (described in more detail in section 3.1.3) based on feedback received in the September meeting and subsequent stakeholder discussion. The program design process will be further informed by program data, customer surveys and other market research, and identified best practices from other state or utility programs.

### **3.1 Current Program Activities as of May 2020**

#### **Low-to-Moderate Income Onsite Residential Customer Incentive Adder**

To be eligible for this incentive adder, a project must meet all eligibility requirements of the MW Block residential incentive program except as noted below, and meet one of the following criteria:

- Service the owner-occupied residence with household income less than 80% of the Area Median Income (AMI) or 80% of the State Median Income (SMI), whichever is higher;
- Service an owner-occupied residence located within a specific geographic area that has been identified by NYSERDA as predominantly LMI and/or a disadvantaged community; or
- Service a residential (1-4 unit) affordable housing property.

Project must have a nameplate capacity (DC) equivalent to no more than 100% of current annual energy usage; or 110% of projected annual energy usage after implementation of electric efficiency measures identified by the required audit or confirmation that these measures are already in place.

Projects must provide annual cost savings to the customer for the full lifetime of the PV installation, as demonstrated through the Affordable Solar Residential Screening Tool or other documentation approved by NYSERDA. NYSERDA may set additional qualifying requirements and process for NY-Sun contractors to offer the LMI onsite adder. These may include additional pricing and/or financing requirements to ensure that the annual cost savings requirement is met, preapproval of contract terms, review of marketing materials, and/or other criteria.

Projects meeting the requirements above will receive, subject to funding availability, an incentive adder calculated on a per DC Watt of nameplate capacity. This adder will initially be set so as to provide a total incentive (base MW block incentive plus LMI onsite adder) of \$.80 per Watt DC. The adder will be adjusted over time to maintain that total incentive level, or as needed to respond to market conditions as described in section 2.5. The total NY-Sun incentives to eligible projects may exceed 50% of the cost of the project.

#### **3.1.1 Affordable Multifamily Housing Incentive Adder**

NYSERDA will dedicate additional incentives to PV installations serving multifamily affordable housing properties. To be eligible for this incentive adder, a project must meet all requirements of the MW Block nonresidential incentive program, and offset the usage of the affordable housing property (behind-the-meter) or its residents (Community Distributed Generation from system located on property). Eligibility requirements for affordable housing properties will be aligned across NYSERDA programs serving this market.

Community Distributed Generation projects on eligible properties with offsite subscribers must meet one of the following conditions:

- Demonstrate that no less than 40% of the project capacity will be dedicated to low-to-moderate income subscribers;
- The eligible property must be owned by a public housing authority or nonprofit organization and demonstrate that no less than 20% of the project capacity will be dedicated to low-to-moderate income subscribers; or
- The eligible property must be owned by a public housing authority or nonprofit organization and demonstrate that no less than 20% of the project capacity will be dedicated to an eligible affordable housing building within the same affordable housing portfolio or development.

Eligible projects will receive, subject to funding availability, an incentive adder calculated on a per DC Watt of nameplate capacity. This adder will be set and adjusted over time so as to provide a total incentive (base MW block incentive plus multifamily affordable housing adder) of \$1.00 per Watt DC. The added incentive will apply up to a per-project capacity limit, set at the first 200kW of the project. Project capacity above the limit will receive the applicable nonresidential base incentive. The total NY-Sun incentives to eligible projects may exceed 50% of the cost of the project. NYSERDA may adjust the added incentive level and

capacity limit in response to program uptake and market conditions, in consultation with DPS and stakeholders, as described in Section 2.1.2 “Flexibility to Adapt to Market Conditions.”

Community Distributed Generation projects on eligible properties will receive an additional adder, initially set at \$.15 per Watt DC (total NY-Sun incentive of \$1.15 per Watt DC), if the eligible property is owned by a public housing authority or nonprofit organization and the project demonstrates that no less than 60% of project capacity will be dedicated to low-to-moderate income subscribers, with a minimum bill credit discount of 20% or equivalent; and with any remaining capacity dedicated to an eligible affordable housing building within the same affordable housing portfolio or development (including the project site).

### **3.1.2 Technical Assistance & Predevelopment**

NYSERDA will continue to support predevelopment activities and technical assistance that address key barriers to implementing PV and/or energy storage projects that provide meaningful benefits to LMI households, affordable housing environmental justice communities, and disadvantaged communities in addition to providing viable project economics for developers, investors and other partners. NYSERDA will also support projects that are focused on technical assistance and outreach that will build a pipeline of solar and/or storage projects benefiting LMI households.

NYSERDA will revise and relaunch Program Opportunity Notice 3414: Affordable Solar Predevelopment & Technical Assistance. The revised solicitation will seek to fund predevelopment activities related to securing project financing, organizing a project business model, development of cooperative or community ownership models, early stage project planning, site identification, team organization, customer marketing/management, benefit models unique to affordable housing tenants, or other factors of LMI solar and/or energy storage projects. Selection criteria will include project-level considerations such as size, impact on LMI households, cost-effectiveness, replicability, incorporation of efficiency measures, incorporation of resiliency measures, and related factors. Additional portfolio-level considerations include geographic balance, diversity of approaches, and overall number of distinct awardees. Eligible applicants to the revised solicitation will include affordable housing providers, community-based organizations, local government entities, technical assistance providers, and other entities with direct capacity to aggregate LMI households or services to LMI households. NYSERDA may also issue separate solicitation(s) for additional technical assistance resources targeting specific market segments, such as support for state and local affordable housing agencies.

## **3.2 Program Strategies in Development as of May 2020**

### **3.2.1 Community Solar**

Community solar presents tremendous potential for LMI households and disadvantaged communities. NYSERDA plans to deploy two complimentary strategies: (1) support for a no-cost (or guaranteed savings) community solar option for low income households, which will be pursued, to the greatest extent possible, in collaboration with other state and utility low income programs; and (2) new targeted intervention and support to make the community solar market more broadly accessible to LMI households, affordable housing providers, and facilities serving disadvantaged communities.

### **3.2.2 Solar Paired with Storage**

NYSERDA plans to offer incentives adders for PV projects that pair PV and energy storage and provide resiliency and/or financial benefits to LMI customers and affordable housing. NYSERDA will also examine incentive adders for facilities other than affordable housing that provide direct benefits to these customers and those residing in disadvantaged communities. Incentive funding for energy storage equipment would be provided in accordance with NYSERDA’s approved Energy Storage Market Acceleration Incentives Implementation Plan. The proposed additional NY-Sun funds for the paired PV component would serve to reduce the cost of integrating these two solutions and maximize on-site resiliency benefits.

### **3.2.3 Solar Deployments that Support the Potential for Solar and Energy Storage to Repower or Replace Electric Generating Peaker Units**

NYSERDA plans to offer targeted programs and technical support to solar deployments that can support the reduction of local pollutants from fossil fuel peaking units which, while operating infrequently during the year, emit significantly higher emissions including local air pollutants. Solar and storage have the ability to reduce or replace the operation of existing fossil-fueled peaking facilities, by offsetting local energy demand that would have been met by peakers or by time-shifting solar power with energy storage to mitigate the need to operate peakers. Targeted support for these projects is expected to improve grid resiliency and provide significant health and environmental benefits, particularly to environmental justice communities where many peaking units are located. These additional incentives will be designed with input from local stakeholders, utilities, DPS and Department of Environmental Conservation (DEC) staff, to maximize benefits within highly constrained load pockets.

## 4 NY-SUN BUDGET & PERFORMANCE EXPECTATIONS

Inherent in the design of the MW Block structure is the structure to provide a reduced incentive glide path, through participation paths and program design to achieve goals on-budget, based on the pace of market activity unbounded by annual budgets.<sup>13</sup> This 2020 Operating Plan reflects funding for the MW Block structure beginning January 1, 2016 through 2025, without annual budget constraints.

As required in the April 2014 Order, the MW Block program must maintain the requirement for achieving geographic balance for Independent System Operator zones G-H-I-J.<sup>14</sup> NYSERDA has developed its incentives and MW Block structure to meet the geographic balance target. Budget allocations for the specific program elements are outlined in Table 4-1 and include budgets for 2016 through 2025, as well as for administering post-completion performance payments, reporting, and other “close out” activities beyond 2025. In addition to the program budget, the Order authorized \$38.7 million for program administration, \$2.5 million for evaluation, and \$19.3 million for the State cost recovery fee (CRF).

The table below does not include the RGGI funds allocated by NYSERDA for customers served by PSEG Long Island, customers that do not pay CEF surcharges, or Market Development funding from the CEF in support of NY-Sun.

**Table 4-1. Revised NY-Sun Program Budget (\$ millions)**

<b>Program<sup>a</sup> Budget Element</b>	<b>Budget</b>
MW Block Incentives and Adders – residential, nonresidential <sup>b</sup> & commercial/industrial <sup>c</sup>	\$1,531
Solar Energy Equity Framework	\$148
Consumer Education	\$6.5
Implementation and Quality Assurance	\$33
Program Administration	\$46
Evaluation	\$2.5
State Cost Recovery Fee	\$26
<b>Total</b>	<b>\$1,793</b>

<sup>a</sup> "Program" funds as defined in the April 2014 Order only included incentive funds.<sup>15</sup> As presented in this table and NYSERDA's January 2014 Petition<sup>16</sup>, Program budget elements also include separately approved funding for consumer education and program implementation. This table does not include the RGGI funds allocated by NYSERDA for performance expectations associated with customers served by PSEG Long Island and customers that do not pay CEF surcharges nor do these tables include Market Development funding from the CEF in support of NY-SUN.

<sup>b</sup> This Table includes budgets for years 2016-2023 as described above. The budget for the MW Block program may increase over time due to disencumbrance and reprogramming of CST Solar PV Program funds from previous years.

<sup>c</sup> This Table includes budgets for years 2016-2023 as described above. The budget for 'Incentives - Commercial-Industrial' will be adjusted based on disencumbered funds from Competitive PV contracts that have been reduced based on system size reductions or underperformance or been canceled.

<sup>13</sup> Case 03-E-0188, Proceeding on Motion of the Commission Regarding a Retail Renewable Portfolio Standard, Order Authorizing the Expansion of the Solar Photovoltaic and Geographic Balance Programs from 2012 through 2015 and the Reallocation of Main-Tier Unencumbered Funds (issued and effective April 24, 2012).

<sup>14</sup> April 2014 Order page 20

<sup>15</sup> April 2014 Order page 6

<sup>16</sup> January 2014 Petition page 3-5



## **5 PROGRAM ADMINISTRATION AND IMPLEMENTATION**

---

Program administration costs include salary and fringe benefit costs for NYSERDA staff involved in managing programs, allocable salary and fringe benefit costs for administrative support staff, direct program management expenses (travel and other costs), QA/QC, and allocable overhead administrative, facility and equipment expenses. Program Administration funding for NY-Sun, in the amount of \$38.7 million, was established in the 2016 CEF Order. The May 2020 Order authorizes an additional \$7.8 million for a total of \$46.5 million.

NYSERDA will manage the Program within the administration budget, optimize administration of the programs to the best of its ability, and keep DPS Staff informed of actual costs over time. NYSERDA will bring any concerns that arise to the Commission if it appears that an adjustment to the approved budgets is warranted. NYSERDA understands that an overall examination of administrative costs, including QA/QC, and the CRF, will be addressed as part of ongoing program review.

In addition to the continued quality assurance and quality control functions of the program, described in detail in section 2, NYSERDA will use the \$33 million in Program Implementation funds authorized in the April 2014 Order to address barriers to the successful implementation of the Program. In administering the Program since 2014, NYSERDA has identified deployment barriers and technical assistance needs for a range of market participants, including solar contractors, State and local government agencies, landowners, and solar customers. NYSERDA will continue developing technical assistance responses to existing and emerging barriers, and, as warranted, support pilot or demonstration efforts to test new approaches. Specific areas of emerging importance include strategies to further encourage the positive impact of solar development on agriculture and New York's rural economy, systematic solutions to interconnection costs, and system resiliency in locations vulnerable to increased flooding or other impacts of climate change.

## 6 EVALUATION

---

It is anticipated that Impact, Market and Process evaluation components will continue to be necessary to support optimization of the NY-Sun program through the 2025 authorized funding period. Given the long-term funding authorization and the desire to be responsive and flexible to evolving needs, this section outlines likely evaluation activities at a high level, while purposefully leaving flexibility for future discussion between NYSERDA and DPS staffs to enumerate the specific direction and study plans.

### 6.1 Impact Evaluation

Impact evaluations are expected to: verify actual production of installed PV systems; investigate reasons for differences, if any, in actual vs. projected production, and examine persistence of system production and performance over time. Impact evaluation will deploy a sampling approach to cost-effectively address the population and potentially various segments or types of installed projects. The specific solar PV impact evaluation objectives, approaches, and timelines will be further defined through discussions between NYSERDA and DPS staff.

An impact evaluation for NY-Sun was completed in 2018 that assessed projects installed from 2011 to May 2016<sup>17</sup>. A follow-up to this study is underway and is assessing projects completed between May 1, 2016 and March 31, 2018.

### 6.2 Market and Process Evaluation

This area of evaluation will assess important market indicators over time to understand the impact of the program and to help position the program for maximum effectiveness. Market and Process evaluation will likely be applied in the solar PV area to understand indicators such as system cost, evolution of business models, and installer and customer satisfaction over time. The details of this potential evaluation area will also be determined through further discussion between NYSERDA and DPS staff.

A market evaluation study was completed in 2017 and estimated baseline balance-of-system soft costs for PV systems installed during 2016<sup>18</sup>. A second market evaluation study is in development that will reassess the balance-of-system soft costs and analyze PV market adoption throughout New York State.

### 6.3 Evaluation Budget

The total budget authorized for evaluation of the NY-Sun Program is \$2.5 million from 2016 through 2025. This aggregate budget, along with remaining funds from previous RPS evaluation allocations, will be managed over the duration of the Program in consultation with DPS staff to deliver the above referenced studies and other studies as may be needed. The evaluation funding will support internal NYSERDA staffing requirements and external consultant activities pertaining to evaluation.

### 6.4 Reporting

As directed in the CEF Order, NY-Sun currently files quarterly financial and progress reports along with a more in-depth annual report of activity. To reduce administrative burden and increase accessibility, as also noted in the CEF Order, NYSERDA plans to undertake the following changes to NY-Sun reporting:

- All NY-Sun financial and progress reporting will be done through data filed in NYSERDA's Quarterly CEF Scorecard, with the results being accessible in the Clean Energy Dashboard rather than a PDF report.
- The NY-Sun Annual Report, which provides greater contextual perspective of activities and progress, will be merged with the CEF Annual Investment Plan & Performance Report (IPPR).

---

<sup>17</sup> <https://www.nyserderda.ny.gov/-/media/Files/Publications/PPSER/Program-Evaluation/2018-Solar-Photovoltaic-Impact-Evaluation-2011-2016.pdf>

<sup>18</sup> <https://www.nyserderda.ny.gov/-/media/Files/Publications/PPSER/Program-Evaluation/2017ContractorReports/Solar-Balance-of-System-Cost-Baseline-Study.pdf>

The May 2020 Order also required NYSERDA to detail its plans for developing and reporting metrics for energy savings and clean energy market penetration in the low- and moderate-income market and in disadvantaged communities. The above-referenced Clean Energy Dashboard currently provides the ability to filter by LMI programs. This filter can be applied for an array of metrics reported in the dashboard such as energy savings, energy generation, emission reductions, participants, etc. and will be used for NY-Sun quarterly reporting. The LMI filtered metrics in the Clean Energy Dashboard can also be leveraged to track progress on overall clean energy market penetration in the low- and moderate-income market. Once disadvantaged communities and the full suite of CLCPA benefits metrics are defined by the Climate Justice Working Group, NYSERDA plans to examine whether these should be incorporated into the Clean Energy Dashboard or reported by another means.

## 7 APPENDIX: MW BLOCK INCENTIVE STRUCTURE

---

The tables below provide the complete MW Block program incentive structure utilized over the course of the program to date. Real-time information about block uptake and rates can be found on the MW Block online dashboard.<sup>19</sup>

**Table 7-1. ConEd Residential Block Structure**

All residential systems in the ConEd region up to 25 kWdc.

Block	MWdc	Incentive/Watt
1	14	\$1.00
2	6	\$0.90
3	9	\$0.80
4	12	\$0.70
5	15	\$0.60
6	18	\$0.50
7	38	\$0.40
8	70	\$0.30
9	120	\$0.20

**Table 7-2. Upstate Residential Block Structure**

All residential systems in the Upstate region up to 25 kWdc.

Block	MWdc	Incentive/Watt
1	40	\$1.00
2	15	\$0.90
3	19	\$0.80
4	22	\$0.70
5	24	\$0.60

<sup>19</sup> <https://www.nyserd.ny.gov/All-Programs/Programs/NY-Sun/Contractors/How-the-Dashboard-Works> .

6	31	\$0.50
7	70	\$0.40
8	125	\$0.35
9	218	TBD

**Table 7-3. Long Island Residential Block Structure**

All residential systems in the Long Island region up to 25 kWdc.

Block	MWdc	Incentive/Watt
1	37	\$0.50
2	15	\$0.40
3	20	\$0.30
4	77	\$0.20

**Table 7-4. ConEd Nonresidential Block Structure**

All nonresidential systems in the ConEd region up to 7.5 MWdc. Prior to the June 2018 Operating Plan, projects over 750kW were submitted to the ConEd Commercial/Industrial block structure. The two block structures were combined, with a single incentive offering for all projects up to 7.5MW. Where multiple incentive rates are shown, the first rate is for a project's first 50 kWdc, and the second rate is for project capacity above 50 kWdc.

Block	MWdc	Incentive/Watt
1	6	\$1.00/\$0.60
2	4	\$0.90/\$0.55
3	7.5	\$0.80/\$0.50
4	15	\$0.70/\$0.45
5	10	\$0.60/\$0.40
6	60	\$0.60
7	60	\$0.50
8	60	\$0.40
9	70	\$0.30
10	70	\$0.20
11	70	\$0.15

**Table 7-5. Upstate Nonresidential Block Structure**

This block includes nonresidential systems in Upstate Region up to 750kW. Where multiple incentive rates are shown, the first rate is for a project's first 50 kWdc, and the second rate is for project capacity above 50 kWdc.

Block	MW	Incentive/Watt
1	35	\$1.00/\$0.60
2	8	\$0.90/\$0.55
3	10	\$0.80/\$0.50
4	12	\$0.70/\$0.45
5	18	\$0.60/\$0.40
6	23	\$0.50/\$0.35
7	59	\$0.40/\$0.30
8	50	\$0.45
9	65	\$0.35
10	90	\$0.25
11	157	\$0.15

**Table 7-6. Long Island Nonresidential Block Structure**

This block includes all nonresidential systems in Long Island region up to 750kW. Where multiple incentive rates are shown, the first rate is for a project's first 50 kWdc, and the second rate is for project capacity above 50 kWdc.

Block	MW	Incentive/Watt
1	7	\$0.50
2	6	\$0.45/\$0.43
3	7	\$0.40/\$0.36
4	9	\$0.35/\$0.30
5	22	\$0.25/\$0.23
6	33	\$0.15

**Table 7-7. ConEd Commercial/Industrial Block Structure (Discontinued)**

This block structure was discontinued and combined with the ConEd nonresidential block structure in June 2018.

Block	MW	PBI (\$/W)
1	15	\$0.63
2	20	\$0.61
3	4.05	\$0.59

**Table 7-8. Upstate Commercial/Industrial Block Structure**

This block includes systems in Upstate region ranging from 750kW to 7.5MW. Where multiple incentive rates are shown, the first rate is for monetary remote net metered projects, and the second rate is for volumetric net metered or value stack projects.

<b>Block</b>	<b>MW</b>	<b>PBI (\$/W)</b>
1	120	\$0.34/\$0.40
2	130	\$0.28/\$0.40
3	130	\$0.21/\$0.39
4	130	\$0.15/\$0.39
5	140	\$0.11/\$0.37
6	140	\$0.06/\$0.35
7	150	\$0.05/\$0.33
8	150	\$0.04/\$0.28
9	160	\$0.02/\$0.22
10	170	\$0.01/\$0.16
11	180	\$0.01/\$0.09
12	270	\$0.25
13	350	\$0.20
14 (New)	575	\$0.17
15 (New)	410	\$0.15
16 (New)	410	\$0.13
17 (New)	415	\$0.11