STATE OF NEW YORK PUBLIC SERVICE COMMISSION

At a session of the Public Service Commission held in the City of Albany on August 14, 2014

COMMISSIONERS PRESENT:

Audrey Zibelman, Chair Patricia L. Acampora Garry A. Brown Gregg C. Sayre Diane X. Burman

CASE 03-E-0188 - Proceeding on the Motion of the Commission Regarding Retail Renewable Portfolio Standard.

Petition of PosiGen Solar Solutions for Clarification of the Commission's April 24, 2014 Order Authorizing Funding and Implementation of the Solar Photovoltaic MW Block Programs.

ORDER GRANTING PETITION FOR CLARIFICATION

(Issued and Effective August 20, 2014)

BY THE COMMISSION:

INTRODUCTION

By Order dated April 24, 2014 ("April Order" or "the Order"), we authorized the New York State Energy Research and Development Authority (NYSERDA) to use approximately 1.5% of the program funds, not to exceed \$13 million, allocated to the Solar Photovoltaic (PV) Megawatt (MW) Block programs for use in achieving greater participation by low to moderate income (LMI) customers in these programs. In its petition dated May 27, 2014, PosiGen Solar Solutions (PosiGen) seeks clarification that the Order authorizes NYSERDA: 1) to increase the size of the LMI

¹ Case 03-E-0188, <u>Retail Renewable Portfolio Standard</u>, Order Authorizing Funding and Implementation of the Solar Photovoltaic MW Block Programs (issued April 24, 2014).

program and to request additional funding if justified; and 2) to implement proposals from the LMI Working Group. In this Order, we grant clarification.

BACKGROUND

By Order issued December 19, 2013, NYSERDA was authorized to transition the current Standard Offer and Competitive Solar PV programs under the Customer-Sited Tier (CST) of the Renewable Portfolio Standard (RPS) to a MW Block design under which the solar PV markets would continue to grow while steadily reducing and eliminating cash incentives in a transparent and predictable manner. We directed NYSERDA to file a description of the design criteria of its MW Block approach. In response to our December 19, 2013 Order, NYSERDA filed a petition on January 6, 2014 addressing, among other issues, the design criteria for the MW Block program.

In the April 24, 2014 Order, we authorized NYSERDA to allocate funds to support, implement, and administer eligible solar photovoltaic programs currently under the CST of the RPS and approved the design criteria advanced by NYSERDA for the MW Block approach to administering the solar PV programs. The Order addressed increasing opportunities for LMI customers to participate in the solar PV programs by authorizing NYSERDA to allocate approximately 1.5% of the program funds, not to exceed \$13 million, for use in achieving greater LMI customer participation.

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² Case 03-E-0188, <u>Retail Renewable Portfolio Standard</u>, Order Authorizing the Redesign of the Solar Photovoltaic Programs and the Reallocation of Main-Tier Unencumbered Fund (issued December 19, 2013).

³ Case 03-E-0188, <u>Retail Renewable Portfolio Standard</u>, NYSERDA Petition: NY-Sun 2016-2023 Funding Considerations and Other Program Implementation Considerations (filed January 6, 2014).

The Order directs NYSERDA to develop an Operating Plan that defines the final budgets and MW Block program details and procedures, to be implemented through 2023. The Order also provided that any design changes that may be developed by NYSERDA and the LMI Working Group would be processed by amending the Operating Plan through a compliance filing.

The Order stated in Ordering Clause 3: "NYSERDA is authorized to expend up to \$13 million of the \$864 million of program funds to support participation by low to moderate income (LMI) customers in the solar PV programs"

THE PETITION

PosiGen requests clarification of the Order's language pertaining to the allocation of 1.5% of program funds, not to exceed \$13 million, to increase LMI customer participation in the solar PV program. Specifically, PosiGen requests that the Commission clarify that the language provides NYSERDA with the flexibility to leverage RPS funds already collected to help provide greater access to solar for the LMI market and to request funding beyond \$13 million, if justified. In addition, PosiGen requests clarification that NYSERDA is authorized to leverage additional financial support for other proposals considered by the LMI Working Group.

DISCUSSION AND CONCLUSION

The April Order directs NYSERDA to develop an Operating Plan that defines the final budgets and MW Block program details and procedures. The Order acknowledges the discussions of the LMI Working Group were concurrently taking place and provides NYSERDA the opportunity to amend its Operating Plan if program design changes are developed through this process. Should discussions between NYSERDA and the LMI working group, subsequent to the filing and approval of the MW Block Operating Plan, result in necessary modifications to the

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Operating Plan, NYSERDA may make such modifications as a compliance filing.

The April Order specifically authorizes NYSERDA to allocate 1.5% of program funds, up to \$13 million, 4 to achieve greater participation in the solar LMI program. The Order does not authorize NYSERDA to allocate additional money beyond the \$13 million for LMI program; however, NYSERDA has the flexibility to submit a supplemental petition requesting additional funding in the future, if such a need can be justified.

The Commission orders:

- 1. Case 03-E-0188, Retail Renewable Portfolio
 Standard, Order Authorizing Funding and Implementation of the
 Solar Photovoltaic MW Block Programs (issued April 24, 2014) is
 clarified as discussed in the body of this Order.
 - 2. This proceeding is continued.

By the Commission,

KATHLEEN H. BURGESS Secretary

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⁴ April Order at 22, 24.