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August 6, 2018

Honorable Kathleen H. Burgess
Secretary of the Commission
New York State Public Service Commission
Empire State Plaza, Agency Building 3
Albany, NY 12223-1350
Email: secretary@dps.ny.gov

Re: Case 15-E-0751, Case 15-E-0082, & Matter 17-01276

Dear Secretary Burgess,

Below, please find comments submitted by PowerMarket (formerly ProjectEconomics) in response to the questions regarding Interzonal Crediting and CDG Subscription Sizes (in bold) found in Notice Soliciting Comments on Staff Proposal and Related Matters issued on May 22nd, 2018.

(1) Should a Distributed Energy Resource (DER), eligible for and receiving compensation based on the VDER Value Stack tariff, be permitted to apply the credits it receives to the bills of customers in the same utility territory as the DER but a different New York Independent System Operator (NYISO) load zone, either through CDG or through single-customer remote crediting?

PowerMarket is strongly in favor of enabling interzonal crediting in utility territories that have subscribers in multiple NYISO load zones, so long as subscribers are located within a reasonable distance from the DER facility. Having acquired 3+ MW_{AC} of subscribers in the greater New York City area, we are confident that acquisition costs will significantly decline if PSC adopts interzonal crediting for adjacent NYISO load zones.

At minimum, PowerMarket requests that mass-market subscribers located in ZIP codes sharing multiple NYISO load zones (in the same utility) qualify for projects in their ZIP code irrespective of load zones. In ConEdison alone, 5 ZIP codes are shared between Zone H & Zone I and 7 ZIP codes are shared between Zone I & Zone J. Due to the additional work in qualifying customers based on load zone, subscriber acquisition campaigns in these ZIP codes are inherently costlier – interzonal crediting will remove barriers in these areas.
Currently, each CDG member must take a percentage of the DER facility's output that amounts to at least a minimum of 1,000 kWh annually. Should this subscription size be lowered to facilitate the participation of customers who wish to take smaller subscriptions?

PowerMarket is in support of either eliminating or revising the minimum allocation below 1,000 kWh annually. Drawing from our experience in acquiring subscribers for DER facilities in New York City, we are concerned that low electricity users will have limited access to DER facilities. During our subscriber acquisition campaigns, we turned away multiple interested households due to low annual electricity usage and we fear this trend will continue if these rules are not revised.

Unless there's an explicit reason to have minimum allocation requirements, PowerMarket is in favor of eliminating minimum allocations altogether.

Alternatively, PowerMarket would support rules similar to Maryland's community solar pilot program, where there is a minimum average subscription on a per project basis as opposed to a per subscriber minimum allocation.

As per COMAR 20.62.02.03 Section C:

An electric company may require a subscriber organization to maintain a minimum average subscription size of 2 kW per customer for an individual CSEGS during the pilot program.

PowerMarket believes that altering “minimum of 1,000 kWh annually” to “average per project minimum of 1,000 kWh annually” would sufficiently include low electricity users.

Implementing both of these measures will lower soft costs for community DER facilities in New York. Lower soft costs allow for more robust DER project development, helping the state better achieve REV goals as outlined by the State of New York.

Respectfully submitted,

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