STATE OF NEW YORK
PUBLIC SERVICE COMMISSION

At a session of the Public Service Commission held in the City of Albany on July 17, 2025

COMMISSIONERS PRESENT:

Rory M. Christian, Chair
James S. Alesi
David J. Valesky
John B. Maggiore
Uchenna S. Bright
Denise M. Sheehan

CASE 15-E-0082 - Proceeding on Motion of the Commission as to the Policies, Requirements and Conditions for Implementing a Community Net Metering Program.

CASE 19-M-0463 - In the Matter of Consolidated Billing for Distributed Energy Resources.

ORDER APPROVING COMMUNITY DISTRIBUTED GENERATION BILLING AND CREDITING PERFORMANCE METRICS

(Issued and Effective July 17, 2025)

BY THE COMMISSION:

INTRODUCTION

On January 16, 2024, Department of Public Service (DPS) staff filed a proposal to address billing issues related to Community Distributed Generation (CDG) programs (Staff Proposal).[1] The Staff Proposal recommended six CDG performance metrics with associated negative revenue adjustments (NRAs) to incent improvement to the CDG billing process.

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[1] Case 19-M-0463 et al., Department of Public Service Staff Proposal on Community Distributed Generation Billing and Crediting Performance Metrics and Negative Revenue Adjustments (filed January 16, 2024) (Staff Proposal).

By this Order, the Commission adopts, in part and with modifications, and denies in part, the proposed CDG billing performance metrics and NRAs. This Order adopts two utility CDG billing and crediting performance metrics related to the timely furnishing of CDG credits on customer bills and the utility response times to CDG Host allocation lists, and establishes quarterly and annual reporting requirements.

BACKGROUND

On December 12, 2019, the Public Service Commission (Commission) adopted a Net Crediting model for consolidated billing for CDG subscribers, directing the Joint Utilities[2] to implement Net Crediting by January 1, 2021.[3] Under Net Crediting, CDG subscribers receive a single bill combining the CDG subscription fee and the CDG credits generated, making the process less confusing and cumbersome than having to pay two separate energy bills. On March 29, 2022, DPS staff filed a Straw Proposal that, among other things, provided recommendations related to utility billing of CDG that were generally aimed at addressing ongoing CDG billing issues.[4] The Straw Proposal recognized numerous ongoing billing issues related to utility billing of CDG impacting thousands of

[2] The Joint Utilities are Central Hudson Gas & Electric Corporation (Central Hudson), Consolidated Edison Company of New York, Inc. (Con Edison), New York State Electric & Gas Corporation (NYSEG), Niagara Mohawk Power Corporation d/b/a National Grid (National Grid), Orange and Rockland Utilities, Inc. (O&R), and Rochester Gas and Electric Corporation (RG&E).

[3] Case 19-M-0463 et al., Order Regarding Consolidated Billing for Community Distributed Generation (issued December 12, 2019).

[4] Case 14-M-0224 et al., Department of Public Service Straw Proposal on Opt-Out Community Distributed Generation (filed March 29, 2022).

subscribers and generating confusion surrounding energy costs and CDG program benefits.

On September 15, 2022, the Commission issued the CDG Billing Order in response to concerns expressed by DPS staff and CDG stakeholders surrounding serious delays in achieving automated utility billing of CDG.[5] The Commission highlighted ongoing CDG billing issues including CDG members not receiving appropriate credits on their bills, and members not receiving a utility bill for several months and then later receiving multiple bills within a short period, or a single very high bill for that extended period. The Commission also recognized that utility billing deficiencies can impact the CDG Sponsor's ability to bill and collect payments from the utilities and/or customers, which has resulted in CDG Sponsor capital issues and, in some instances, default on their contractual obligations to their customers and project funding sources.

The Commission thus directed DPS staff to conduct a stakeholder conference to discuss the potential benefits of establishing CDG billing metrics to track and evaluate utilities' performance in billing for CDG, with potential NRAs tied to those metrics. DPS staff conducted stakeholder conferences on November 9, 2022, and February 27, 2023, where presentations were given by industry stakeholders, including CDG developers, distribution utilities, and Community Choice Aggregation Administrators. Building on the proposals and discussions that arose out of those stakeholder conferences, DPS staff developed the Staff Proposal to address ongoing CDG billing issues.

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[5] Case 19-M-0463 et al., Order Establishing Process Regarding Community Distributed Generation Billing (issued September 15, 2022) (CDG Billing Order).

STAFF PROPOSAL

The Staff Proposal includes six CDG performance metrics with associated NRAs that would incentivize improvements to the CDG billing process. The six metrics include:

(1) Billing and Crediting Accuracy: measuring the percentage of accounts that experienced inaccurate credit transfers and credit banking transfers across the utility territory.

(2) Accuracy of the Total Value of the Credits Earned Across the Service Area: measuring the total value of credit transfer and percentage difference between the correct transfer amount and the accrual transfer amount across the utility territory.

(3) Accurate Application of Billing Credits: measuring whether the full amount of the credit earned by the customer has been correctly applied and not banked inappropriately.

(4) Customer Complaints Regarding Transfer, Billing, and Crediting Timelines: measuring the percentage of customers that do not receive the full amount of monthly bill credits applied to their bill within 75 days of the end of the generator’s billing period. Additionally, Staff proposes a $10 monthly credit when a customer’s bill credits have not been applied within that 75-day window.

(5) Utility Response Time to allocation lists: measuring the time frame, or response rate, in which the utility responds to Host allocation list submissions.

(6) Utility Response Time to Host Communications: measuring time frame, or response rate, in which the utility responds to Host and customer communications.

DPS staff proposes that these metrics and associated NRAs be measured separately and be independent of any existing metrics and NRAs that have been previously adopted by the Commission. The overall annual basis points at risk under the Staff Proposal would be up to 41 basis points.

Additionally, DPS staff proposes that the Joint Utilities: (1) provide a $10 per month bill credit for failure to provide bill credits in a timely fashion (second part of Metric number four); (2) file quarterly reporting of billing and crediting performance; and (3) undertake quality assurance protocols. Regarding reporting requirements, the Staff Proposal recommends that the Joint Utilities report, on a quarterly basis 30 days after the end of each quarter, information regarding the Joint Utilities' CDG billing and crediting performance, displaying the metrics for each of the prior three months. According to the Staff Proposal, this information would provide important data to DPS staff for review and/or audit of the progress the Joint Utilities are making towards successful CDG implementation. Additionally, DPS staff proposes that the Joint Utilities file individual annual reports, which include the total dollar amount of NRAs incurred associated with each performance metric.

DPS staff proposes that the Joint Utilities individually establish internal processes and procedures to ensure the quality of the metrics being reported, including a requirement that the data be retained and be made available for subsequent third party and/or DPS staff audits, if warranted. Also, DPS staff proposes that the Joint Utilities be afforded the ability to file a petition with the Commission seeking an exception or waiver to have the performance requirements modified due to factors beyond their control. DPS staff proposes that any such waiver request identify: (1) the extraordinary nature of the event; (2) the impact of the event on the utility's CDG billing and crediting service quality; (3) the reasons why reasonable preparations for the event proved inadequate; and (4) the specific days affected by the event. Finally, DPS staff proposes that the Commission establish a three-year review process whereby the implementation of these performance metrics and associated NRAs are evaluated, recognizing the metrics and NRAs may need to be adjusted in the future.

NOTICE OF PROPOSED RULE MAKING

Pursuant to the State Administrative Procedure Act (SAPA) §202(1), a Notice of Proposed Rulemaking was published in the State Register on February 14, 2024 [SAPA No. 19-M-0463SP5] (Notice). The time for submission of comments pursuant to the Notice expired on April 15, 2024. Moreover, in a Notice Regarding Reply Comments, reply comments were solicited through May 10, 2024.[6]

The comments received in response to the Staff Proposal are summarized in Appendix A. In sum, of the 20 stakeholders that provided comments or reply comments, 19 stakeholders were supportive of the Staff Proposal. Of those in support, five commentors propose modifications to Staff's Proposal, which are addressed below. Finally, the Joint Utilities' comments oppose the Staff Proposal, and instead offer an Alternative Proposal for Commission consideration.

LEGAL AUTHORITY

The Commission's authority derives from the New York State Public Service Law (PSL), through which numerous

[6] Case 19-M-0463 et al., Notice Regarding Reply Comments (issued April 26, 2024).

legislative powers are delegated to the Commission. Pursuant to PSL §5(1), the "jurisdiction, supervision, powers and duties" of the Commission extend to the "manufacture, conveying, transportation, sale or distribution of ... electricity." PSL §5(2) requires the Commission to "encourage all persons and corporations subject to its jurisdiction to formulate and carryout long-range programs, individually or cooperatively, for the performance of their public service responsibilities with economy, efficiency, and care for the public safety, the preservation of environmental values and the conservation of natural resources." PSL §66(2) provides that the Commission shall "examine or investigate the methods employed by [] persons, corporations and municipalities in manufacturing, distributing and supplying ... electricity ... and have power to order such reasonable improvements as well as promote the public interest, preserve the public health and protect those using such gas or electricity ... ."

PSL §4(1) also expressly provides the Commission with "all powers necessary or proper to enable [the Commission] to carry out the purposes of [the PSL]" including, without limitation, a guarantee to the public of safe and adequate service at just and reasonable rates,[7] environmental stewardship, and the conservation of resources.[8] Further, PSL §65 provides the Commission with authority to ensure that "every electric corporation and every municipality shall furnish and provide

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[7] See International R. Co. v Public Service Com., 264 AD 506, 510 (1942).

[8] PSL §5(2); see also Consolidated Edison Co. v Public Service Commission, 47 N.Y.2d 94 (1979) (overturned on other grounds) (describing the broad delegation of authority to the Commission and the Legislature's unqualified recognition of the importance of environmental stewardship and resource conservation in amending the PSL to include §5).

such service, instrumentalities and facilities as shall be safe and adequate and in all respects just and reasonable." The Commission also has authority to prescribe the "safe, efficient and adequate property, equipment and appliances thereafter to be used, maintained and operated for the security and accommodation of the public" whenever the Commission determines that the utility's existing equipment is "unsafe, inefficient or inadequate."[9] In addition to the PSL, the New York State Energy Law §6-104(5)(b) requires that "[a]ny energy-related action or decision of a state agency, board, commission or authority shall be reasonably consistent with the forecasts and the policies and long-range energy planning objectives and strategies contained in the plan, including its most recent update."

DISCUSSION

CDG projects are widely successful in New York State and the market continues to evolve and grow over time. CDG has afforded thousands of residential customers the opportunity to participate in advancing renewable energy throughout the State while at the same time receiving savings on their utility bill. However, the transition to CDG Net Crediting, while intended to simplify the billing process for customers, has yielded serious billing and crediting errors and delays for thousands of subscribers and developers. Timely and accurate utility billing, crediting, and customer service are foundational to a successful CDG Program. A billing error affecting one CDG project could ultimately impact hundreds or thousands of subscribers. The errors also financially impacted CDG developers, a number of whom over the last few years have sought assistance from DPS staff in reaching resolution of these

[9] PSL §66(5).

issues. Concerningly, billing and crediting issues have forced some subscribers to cancel their subscriptions, eroding customer trust in the CDG Program. Billing and crediting issues can also dissuade potential customers from adopting CDG and developers from entering or remaining in the CDG market. Overall, billing and crediting issues can impact the success of the CDG Program on a statewide basis and reduce the benefits that CDG can provide.

The Commission acknowledges that over time, as the Joint Utilities have automated their billing systems, fewer subscribers are experiencing delays in the application of credits or errors with the Joint Utilities' billing processes. The volume of complaints received by DPS staff from CDG subscribers and developers has reduced significantly since the issuance of the CDG Billing Order in September 2022. Almost all the Joint Utilities have now fully implemented automation for the CDG Net Crediting process leading to less billing errors.[10] However, these instances are still occurring, and the Commission needs to ensure the Joint Utilities' billing practices for CDG subscribers remain a priority as CDG continues to grow throughout the State.

Of the 20 stakeholder comments and reply comments, the majority of the commentors support the Staff Proposal. Of note, Arcadia supports a phased-in approach in the adoption of NRA metrics - Phase 1 would implement DPS staff's Timeliness Metric, the Joint Utilities' Host Allocation Transfer (HAT) metric with revised thresholds and penalties, and DPS staff's Host Communication and Response Metric with DPS staff's proposed tolerance thresholds and NRAs. Phase 2 would implement the balance of DPS staff's proposed metrics by the end of 2024. The

[10] See Case 19-E-0463, each utility filed Q2 CDG Net Crediting Reports on March 31, 2025.

Joint Utilities strongly oppose the Staff Proposal arguing that it is unreasonable, difficult to implement and not based on sufficient factual analysis of utility performance on billing and crediting issues. As a result, the Joint Utilities recommend their Alternative Proposal, which they contend could be implemented in a more efficient, cost-effective, and timely manner.[11] The Joint Utilities' Alternative Proposal consists of metrics for accuracy, timeliness, and responsiveness. The proposed accuracy metric is broken out between upstate and downstate utilities while the timeliness and responsiveness metrics have one statewide metric each.[12]

While the Commission acknowledges that the Joint Utilities have made improvements to their CDG billing and crediting processes since the issuance of the CDG Billing Order, issues persist and the Commission finds that metrics with associated NRAs are still warranted in order to ensure accurate and timely billing for CDG customers. Even if the billing issues had in large part subsided, metrics with associated NRAs would be reasonable to deter backsliding. While DPS staff proposes six metrics related to various aspects of the billing and crediting processes, we are only adopting two of the six metrics at this time to address the most immediate concerns raised by stakeholders. The Commission reviewed stakeholder comments noting the strong support for adopting all six of DPS staff's proposed metrics. The Commission supports policies to ensure subscribers are receiving on-time, accurate credits and bills. It is important to note that as the Joint Utilities

[11] See Joint Utilities CDG NRA Proposal Comments (filed April 16, 2024).

[12] For the purposes of this Order, the Upstate Utilities are defined as Central Hudson, National Grid, NYSEG, and RG&E. The Downstate Utilities are defined as Con Edison and O&R.

pointed out, many of the mechanisms needed to track the NRA metrics are not currently in place in the utilities' billing systems. Without the current systems and employees currently in place, significant time and investment must be made by the utilities, and ongoing costs incurred. Additionally, cost estimates surrounding the prior automation of CDG billing and crediting were significantly more than initially anticipated, warranting a thoughtful approach here. The Commission must therefore be cognizant of imposing significant costs on both developers and ratepayers. Additionally, the Joint Utilities argue that if the six metrics were implemented, they would need time to implement the necessary benchmarking, data collection, and tracking systems to gather the data proposed by DPS staff.

For these reasons, and in recognition of the Joint Utilities' improved billing performance discussed above, the Commission addresses the most important aspects of CDG billing in this Order – billing credit timeliness to customers and host allocation list responsiveness to developers, while continuing to track performance and leaving the door open to impose additional metrics and NRAs in the future. Based on the Joint Utilities' comments, these two metrics could be implemented in a timely manner. Arcadia notes that timely billing is an essential feature for a functioning community solar market and argues that billing issues are the single largest issue driving subscribers to cancel their CDG subscription. Multiple commenters expressed strong support for bill timeliness, stating that they have experienced extended delays in receiving their utility bill. These two metrics alone require the Joint Utilities to invest in billing system modifications and potentially add more employees. The Commission expects that the investment in CDG billing automation will lead to decreased implementation costs for the two metrics adopted in this Order.

Regarding the remaining four metrics proposed by DPS staff, this Order establishes various reporting requirements to inform the Commission as to whether any of these metrics or variants of them should be adopted in the future. As described below, the Commission directs DPS staff to review the utility's performance after the first annual report and to convene a stakeholder conference thereafter. This phased approach, similar to that proposed by Arcadia, strikes the appropriate balance between ensuring accurate and timely billing of CDG, while being cognizant of the costs associated with billing system improvements. This approach also allows the Commission to act now in implementing these two performance metrics, since the utilities are capable of doing so in a timely manner.

Overall Financial Exposure

At this juncture, implementation of the billing and crediting timeliness metric (8 basis points) and the Host allocation list responsiveness metric (4 basis points) results in a financial exposure to the utilities of up to 12 basis points. Accuracy of utility billing is another critical metric which can profoundly affect the customer experience and satisfaction with utility bills. DPS staff reports receiving numerous communications from frustrated developers and utility customers regarding inaccurate utility bills and how they can sometimes take a significant amount of time with utility personnel to resolve. Although not being implemented at this time, the billing accuracy metric is an important metric, and once it can be reasonably measured and tracked, could be implemented in the future with associated NRAs similar to the billing credit timeliness metric.

Finally, given that the topology and characteristics of Con Edison's service territory cannot support the same relative degree of CDG project penetration,[13] we have scaled Con Edison's basis points at risk thresholds downward for our basis point NRAs. Con Edison's basis points at risk are scaled such that the resultant NRAs at the worst performance levels will be the same on a dollar per expected CDG subscriber basis as the average NRA dollars per CDG subscribers for the remaining members of the Joint Utilities. Given Con Edison's much lower ratio of expected CDG subscribers to overall electric customers, this will result in Con Edison's overall basis points at risk scaling to approximately one-tenth of the basis points at risk for the remaining members of the Joint Utilities. The NRAs described in this Order shall be borne by the utility's shareholders and excluded from the calculation of the Joint Utilities' respective earnings sharing mechanisms.

13 The five New York City counties have by far and away the highest population densities in the State. There is less space available for CDG projects, as relatively more of the space is taken up by human habitations. Even if the solar panels are on the roofs in Con Edison's territory, with so many extra floors under the roof comparatively in New York City, there is less space available for solar panels on a per overall utility customer basis. The number of customers in each utility service area is closely correlated to the population in that area. The next two counties with population densities that are anywhere near those of the New York City counties are Nassau and Westchester. Nassau County in PSEG-LI territory does not impact our analysis. Westchester is in Con Edison's territory and thus helps to prove our point that Con Edison's service area is characteristically different than those of the Upstate utilities. Information on the population densities for each county in New York State can be found on the Department of Health website at: https://www.health.ny.gov/statistics/vital_statistics/2018/table02.htm.

Metrics and Negative Revenue Adjustments to be Applied

1. Billing Credit Timeliness

Billing crediting timeliness is an important component of CDG Net Crediting. Subscribers should be credited with the generation value allocated to them by the CDG Host at the time it is generated. DPS staff proposes to implement NRAs when subscribers have not received their utility bill within 75 days from the end of the Host Account applicable billing period. As DPS staff indicates, the 75-day period would provide the utility sufficient time to bill all subscribers and the CDG Host and allows the utility time to sufficiently address any issues that may arise with the allocation of credits due to billing, allocation errors, or metering issues.

The commentors cited timely and accurate application of bill credits as critical components to the success of CDG. Arcadia argues that these are the most significant issues driving subscribers to cancel their CDG subscription. The City of New York (the City) notes that imposing penalties for inaccuracies will encourage the Joint Utilities to invest the necessary resources and reduce the likelihood of subscribers leaving the CDG Program. New York Solar Energy Industries Association (NYSEIA) and the Coalition for Community Solar Access (CCSA) argue that a structural and regulatory solution is needed to prevent CDG billing and crediting issues from reoccurring in the future and urges that the Staff Proposal be implemented immediately. Solar One argues that the Joint Utilities' failure to apply bill credits in a timely and accurate manner weakens the success of New York's community solar program.

The Joint Utilities generally agree with the metric but contend the bill credit be applied after 75 days from the Host Bill Generation Date, not from the end of the subscriber's period. Additionally, the Joint Utilities note that the baseline NRAs proposed are not based on historical billing performance or benchmarking, and thus it is unclear what level of resources would be needed to meet the threshold. Further, the Joint Utilities argue that the metrics should include appropriate exclusions for contributing factors that are beyond what the Commission intended to measure and assert that the NRAs proposed call for near perfection that is outside the bounds of reasonableness. Lastly, the Joint Utilities urge the Commission to base the NRAs on the value of the credits obtained by Hosts and subscribers or the number of discrepancies which more accurately corresponds to the size of their CDG Programs.

The Commission agrees with the stakeholders that billing and crediting timeliness is critical to the success of the CDG program and contributes to the overall customer experience. In line with these principles, the Commission adopts the Staff Proposal to apply bill credits within 75 days from the end of the Host's applicable billing period for purposes of applying the NRA. This requirement would apply to both customers that are billed monthly and bi-monthly. Subscribers should be compensated for any billing delays beyond the 75-day period. Subscribers and developers have experienced significant billing errors causing customer confusion and financial impacts for both the developer and subscribers, all of which taints the CDG participation experience. However, the Commission agrees with the Joint Utilities that the NRA percentages proposed in the Staff Proposal are too stringent and should be reasonable and proportional, similar to other Commission-approved utility program NRAs. Therefore, the Commission adopts a billing timeliness NRA with the metric beginning at 95 percent instead of the DPS staff proposed 98 percent. If, on a monthly basis, subscriber utility bills are credited within 75 days of the end of the Host Account's billing cycle for 95 percent or more of the project subscribers, there will be no NRA assessed. Penalties shall begin when the percentage of subscribers that have not received monthly bill credits within 75 days is less than 95 percent, as depicted in Table 1 below. Additionally, the Commission agrees with the commenters that the basis points assigned in the Staff Proposal should be adjusted to match the level of harm to the subscribers. To that end, Table 1 below represents the NRAs associated with the billing timeliness metric that we are adopting at this time. As referenced above, the basis points applied to Con Edison have been adjusted to ten percent of the originally proposed DPS staff value to bring Con Edison to an approximate equal weighting of exposure/NRA per CDG subscribers similar to the rest of the utilities in the State. The Joint Utilities shall implement this metric and begin measuring performance by January 1, 2026. The data collection for this metric and corresponding NRA will be performed from January to December each year, beginning in 2026.

Table 1. Billing Credit Timeliness

Percent of Value Stack subscribers that have not received monthly bill credits within 75 days	**Rest of State Utilities' Basis Points at Risk[14]**	**Con Edison Basis Points at Risk**
>5% ≤10%	4	0.4
>10% ≤15%	6	0.6
>15%	8	0.8

[14] The rest of State Utilities include Central Hudson, National Grid, NYSEG, O&R, and RG&E.

In addition, DPS staff proposes that the Joint Utilities provide a $10 credit to each customer that receives a late credit for each month following the expiration of the 75-day period until the Value of Distributed Energy Resource Value Stack (Value Stack) credits generated by the Host Account are applied in full to the individual subscriber based on the most recent allocation list. Nexamp, Inc. recommends higher monthly credits for low-income and master-metered customers to reflect an understanding of the disproportionate impact of billing issues on these groups. In addition, NYSEIA and CCSA request that the Commission increase the $10 credit to $20 for low-and-moderate income subscribers and $500 for master-metered subscribers. However, the Joint Utilities do not support an increase to the $10 per month subscriber credit.

A $10 per month credit was implemented in the most recent Con Edison, NYSEG, and RG&E rate cases. The Staff Proposal recommends that all members of the Joint Utilities be directed to implement a $10 monthly credit for consistency on a statewide basis since this metric is essential for providing relief to subscribers who have been affected by billing delays. We find that this metric should be consistently applied in all the Joint Utilities' service territories given its ease of implementation and the immediate benefit it provides to subscribers. NYSEIA and CCSA's recommendation to increase the $10 credit to $20 for low-and-moderate income subscribers, and to $500 for master-metered subscribers would add significant administrative complexity, undercutting the expediency and simplicity of the credit, and is therefore rejected. Moreover, as the Joint Utilities point out in their reply comments, the $10 credit is not to make up for the full CDG credit value, but instead is to compensate customers for the time value of money associated with not receiving a timely credit and to incentivize customers to remain in the CDG program. Therefore, the Commission adopts the recommendation in the Staff Proposal to apply a $10 credit to the subscriber bill if a utility does not fully allocate the subscriber's credits within the 75-day period described in the billing timeliness metric previously discussed. As recommended by NYSEIA and CCSA, and to avoid unnecessary credit banking, if the monthly credit is applied to a customer bill in the same billing cycle that CDG credits are applied, the CDG credits shall be applied first, and the monthly credit be applied after the CDG credits to offset any remaining account balance. Finally, this metric and associated monthly credit shall supersede any existing CDG billing and crediting metrics previously adopted by the Commission.

However, we note that there are instances when issues outside the utility's control can delay the subscriber's utility bill from being sent. Therefore, the monthly credit will not apply during instances where the delay in crediting is caused by the Host not providing the utility with an up-to-date allocation list and/or disruptions with the metering data inputs outside of the utility's control (refer to the Exceptions and Waivers Section below). Although the $10 per month credit will be meaningful for those affected subscribers, from an overall utility NRA exposure level, the impact of the $10 per month credits are expected to equate to only a fraction of a basis point for each utility. As such, the Joint Utilities are directed to implement this credit beginning January 1, 2026.

2. Utility Response Time to Host Allocation Lists

CDG allocation lists are a core part of the CDG subscriber's billing and crediting process. The Host allocation list lets the utility know the percentage of generation each customer has subscribed for and the subscriber's savings rate. CDG hosts are allowed to update the allocation list monthly.

CDG subscriptions are fluid allowing subscribers to enroll and unenroll continuously, and the Host allocation list is the only way for the utility and Host to know how to distribute the billing credits. Without the correct information confirmed by the utility, customers may not receive the correct bill credits. This error could end up costing subscribers months of bill credits.

Upon commencement of Net Crediting, the CDG Billing and Crediting Working Group established the CDG Host Allocation Guidance Document, which lays out the process for approval of the allocation list.[15] Stakeholders agreed to use this process to approve initial and changed allocation lists. DPS staff proposes implementing a metric and an associated NRA to ensure that the approval or changes to the allocation list are a priority for the Joint Utilities.

The utility response time to the Host Allocation Lists metric measures the number of days it takes the utility to respond to receipt of the Host allocation list. Joint Utilities shall respond to a Host allocation list within five business days, per the CDG Host Allocation Guidance Document, attached to this Order as Appendix C. The percentage of Host allocation list submission communications not responded to in a timely manner and the corresponding basis points proposed by DPS staff are included in Table 2 below. Stakeholders generally agree with implementing this metric.

The Joint Utilities' comments state that there is no need for NRAs to be applied to this category due to its alignment with the CDG Billing Order which focused on the

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[15] The CDG Host Review and Approval Guidance Document was created by the CDG Billing and Crediting Working Group and is included on NYSERDA's NY-Sun "Resource for Contractors" website, available at: https://www.nyserda.ny.gov/All-Programs/NY-Sun/Contractors/Resources-for-Contractors.

importance of timely and accurate billing and crediting. They therefore recommend that only tracking of this metric is necessary. The Joint Utilities argue that the 98 percent success rate target in the Staff Proposal is unprecedented and should be supported by benchmarks or historical data. Also, the Joint Utilities maintain that the CDG Billing Order directing NRAs was tied to billing and crediting and not ancillary issues such as Host allocation lists.

The Commission disagrees that Host allocation lists are outside the scope of the CDG billing issues discussed in the CDG Billing Order. Receipt and proper processing of the Host allocation lists is a critical first step in producing timely and accurate subscriber bills, and if there is a time lag at this juncture, the likelihood of late utility bills being sent to subscribers is increased. The Host allocation list process is a critical intermediary step in providing reasonable billing and crediting performance to consumers and therefore this process does indeed require an NRA to promote overall bill timeliness. Therefore, the Commission adopts the metrics and associated NRAs for the Joint Utilities' response time to Host allocation lists as shown in Table 2 below. Specifically, this metric will reflect whether, within five business days (inclusive of the 2 business days to provide a confirmation of receipt of the Allocation Form), the utility will review and return the Allocation Form with either an approval of the full allocation list, or by identifying all subscriber allocations that are rejected and the reason (e.g., wrong account number or wrong name) along with list of all accepted subscriber allocations.

This metric is only applicable to CDG projects in-service because final subscriber allocations can only be validated at "Permission to Operate." However, excluded from this performance metric are any Host Banked Allocation requests because they are an irregular ad hoc request. The Joint Utilities are directed to implement this metric and begin measuring performance by January 1, 2026, a timeframe consistent with the Joint Utilities' recommendation. The data collection for this metric and corresponding NRA will be performed from January to December each year, beginning in 2026.

The Joint Utilities' recommendation that this metric only apply to manual processing of Host allocation lists and no longer apply once processes are automated is rejected. Calculation of this metric will include all Host allocation lists communications, regardless of whether the utility has automated its Host allocation list review process, to ensure continued reasonable performance on this critical intermediary process.

Table 2. Timeliness of Responses
Related to Allocation List Submissions

Percentage of Host Allocation List Response Not On-Time	Rest of State Utilities' Basis Points at Risk	Con Edison Basis Points at Risk
>5% ≤10%	2	0.2
>10% ≤15%	3	0.3
>15%	4	0.4

Remaining Proposed Metrics

As noted, DPS staff proposed six CDG billing and crediting related metrics in the Staff Proposal, and in this Order, the Commission adopts two of those six metrics. The remaining four metrics address accuracy of credit transfers/banked credits (Metrics 1, 2, and 3), and timeliness of utility response to Host or subscriber communications (Metric 6). At this time, the Commission declines to adopt these four metrics. Although accuracy is extremely important to the CDG billing process, the Joint Utilities, as indicated in their comments, do not have the mechanisms in place to track accuracy as recommended by the Staff Proposal for Metrics 1, 2, and 3. Additionally, as previously discussed, the Commission recognizes that the utilities' billing and crediting performance has improved since 2022. Specifically, the Joint Utilities offered their HAT accuracy proposals, one for upstate and one for downstate. As proposed, the Joint Utilities' HAT accuracy proposal would compare the allocation percentage contained on the Host allocation list with the allocation percentage contained on the accepted allocation form used by the respective utility to effectuate the dollar credits applied on the subscriber utility bill. While it is useful to determine if the respective allocation percentages match, correct allocation percentages are not the only factor driving the accuracy of the actual monetary credits that the subscribers have applied to their utility bills, which should be the goal of this metric. The Joint Utilities have almost finished fully automating their Value Stack Net Crediting billing processes, thereby reducing instances of inaccurate credit transfers from the Host account to the subscriber accounts. Thus, while not adopting a specific accuracy metric in this Order, the Commission directs DPS staff to include the tracking of information necessary to assess the accuracy of CDG credits at the stakeholder conference directed below in order to ensure that accuracy remains at the forefront of the Joint Utilities' business priorities.

Regarding the Host or subscriber communication response Metric 6, the Commission has learned that most of the Joint Utilities have implemented communication portals for the CDG Hosts to use to reach out with concerns directly to the utility CDG staff. These communication portals provide a centralized platform for sharing information and streamlining communications between the Joint Utilities and CDG Hosts, and thus may make a metric regarding host-utility communications unnecessary. Moreover, through the adoption of a performance metric and NRA associated with utility responsiveness to Host allocation lists, the Commission has ensured timely utility responses to a critical category of host-utility communications. Therefore, the Commission declines to adopt a performance metric and NRA for Metric 6 at this time.

In addition, Arcadia proposed that the Commission adopt one additional performance metric to help ensure that the Joint Utilities issue timely CDG Host Statements and requests that the Commission direct changes to net crediting agreements requiring utilities to issue prompt payments to CDG Hosts of net crediting projects. Specifically, Arcadia recommends that the Commission set a timeline of five business days after the meter reading date for utilities to issue an on-time Host Statement. In addition, Arcadia proposes that the project meter reading should occur no less than once per billing cycle. The Commission rejects Arcadia's proposal to add this additional metric related to billing timeliness for Host Statements and the issuance of utility bills for the cost containment reasons discussed above and below. Application of the metrics adopts in this Order will be monitored to determine if additional metrics should be imposed.

Cost Recovery

Regarding cost recovery, the Joint Utilities note that achievement of the new performance metrics will require incremental investments and operational costs, thus any framework should provide for the timely recovery of such costs. Specifically, the Joint Utilities indicate that implementation of the proposed metrics would require investments in their respective information systems to develop scorecards and track any new metrics. Additionally, the Joint Utilities state there will be ongoing operation and maintenance (O&M) expenses associated with incremental full-time equivalent employees required to perform the tracking and reporting related to the proposed metrics. As the Joint Utilities indicate, costs to implement the Staff Proposal, depending on the utility, would range from $0.450 million to $5.0 million and the ongoing O&M expenses would range from $0.350 million to $12.8 million.[16] Further, the Joint Utilities propose to recover such costs by expanding the one percent fee applicable to Net Crediting applicable to all CDG Hosts adjusted annually to a level sufficient to recover their costs, or alternatively be authorized to recover such costs through a surcharge mechanism.[17]

As previously stated, the implementation of CDG billing and crediting metrics is necessary to promote the accuracy and timeliness of billing and crediting and the Commission acknowledges that the implementation of such metrics may result in incremental costs. To that end, the Joint Utilities will be allowed to recover the incremental costs associated with the implementation of these metrics. Given the fact that CDG subscribers will benefit from the implementation of these metrics through more timely billing and crediting, as well as more accurate Host allocation lists, it is appropriate for the costs to be recovered from these same participants. Therefore, the Joint Utilities proposal to recover such costs by

[16] See Joint Utilities CDG NRA Proposal Comments. The Joint Utilities also provide cost estimates associated with their alternative proposal to CDG billing metrics that indicated estimated implementation costs ranging from $0.110 million to $1.0 million and the ongoing O&M expenses ranging from $0.150 million to $1.0 million.

[17] Under the Net Crediting model costs are recovered by applying a discount rate equal to one percent of the total value of the credits which is deducted from the Sponsor Payment.

expanding the one percent discount rate applicable to Net Crediting to all CDG Hosts is a reasonable approach. However, based on a review of the Joint Utilities' respective Net Crediting Annual Reports for the calendar year 2024 it was determined that, for most of the Joint Utilities, the existing one percent discount rate has been more than sufficient to address the incremental costs associated with the implementation and operation of the Net Crediting model and thus a portion of the incremental costs associated with implementing the CDG billing and crediting metrics can be addressed through the existing one percent discount rate applicable to Net Crediting. Furthermore, since the Joint Utilities cost estimates were based on implementation of all six metrics, the implementation of only two metrics should result in lower implementation and ongoing O&M costs. For these reasons, we authorize the Joint Utilities to increase the one percent discount rate by an additional half of a percent, which will allow them to recover up to one and a half percent for each CDG Net Crediting project.

Similar to the costs associated with the Net Crediting model, as discussed further below, each member of the Joint Utilities is directed to track the costs associated with implementation and the ongoing O&M for the CDG billing metrics adopted in this proceeding, as well as the amount recovered through the discount rate, and file an annual reconciliation report for the previous calendar year ending December 31. In addition, the Commission directs the Joint Utilities to file updated estimated implementation and ongoing costs, including supporting rationale, based on the requirements of this Order within 60 days of the effective date of this Order.

Each member of the Joint Utilities may defer the revenue requirement impact of prudent, necessary, and incremental costs in excess of the amounts recovered through the discount rate and accrue carrying costs on any such deferred amounts at the other customer provided capital rate. Recoveries through the discount rate, as well as any NRAs incurred by the utility, shall be used to offset any deferred balances. Any remaining deferred balances or over-recoveries through the discount rate will be subject to DPS staff review and addressed in a future rate proceeding.

Reporting Requirements

DPS staff recommends that the Joint Utilities be directed to report, to the Commission on a quarterly basis, information regarding their CDG billing and crediting performance for each metric, for the prior three months. This information, DPS staff asserts, would provide important information for DPS staff to utilize when reviewing and/or auditing the performance of these metrics, as well as for verifying/tracking the NRAs that have been incurred by the Joint Utilities.

The Commission agrees with DPS staff that reporting requirements are essential to track the progress the Joint Utilities are making toward implementing consistent timely billing practices. As DPS staff noted, many other Commission programs such as Energy Efficiency incorporate reporting requirements to monitor progress. Further, reporting provides transparency to the public on each utility’s performance. The utility scorecard will provide a snapshot of the utility’s billing and crediting performance to support accurate application of NRAs.

The Joint Utilities shall begin filing quarterly reports with the Secretary to the Commission within 30 days of the end of each calendar quarter ending March 31, June 30, September 30, and December 31, beginning on January 30, 2026. In addition, the Joint Utilities are directed to file annual reports for calendar year ending December 31, beginning January 30, 2027. Appendix B includes a listing of the specific data points which shall be included in these reports. These quarterly and annual reports shall be filed in Case 19-M-0463 until discontinued by the Commission. To ensure clear and consistent reporting, the Commission directs DPS staff to file templates for the Joint Utilities to use in compiling quarterly and annual reports within 15 days of the effective date of this Order.

Quality Assurance/Auditing

The Staff Proposal recommends that the Joint Utilities establish an internal process to ensure the quality of the metrics being reported, including a requirement that the data be retained and be made available for subsequent third party and/or DPS audits, if warranted. Further, on an annual basis, DPS staff proposes that each of the Joint Utilities file a quality assurance report and attestation letter signed by an officer of the company. Specifically, DPS staff proposed that staff and/or its designee may, at any time, conduct an inquiry of selected portions of the reported performance data to assess whether a utility is accurately recording and reporting the information. Further, the proposal would allow DPS staff and/or it's designee to conduct Metric Replication to assure that the data reported in the utilities' quarterly and annual reports accurately reflects the performance metric results being reported using the technical definitions for each metric calculation.

As DPS staff explains, metric replication evaluates the Joint Utilities' metrics processes by attempting to recreate its performance metrics using underlying data from the Joint

Utilities' billing systems.[18] The Commission agrees that auditing and replication are essential to ensuring reasonable CDG billing and crediting and performance. Thus, the Staff Proposal in this regard is adopted. Further, DPS staff and/or its designee is not precluded from conducting other studies with the data provided to ensure the proper implementation of the CDG program.

Exceptions and Waiver Process

Recognizing that reported CDG billing and accuracy performance data may be influenced by factors beyond the utilities' control, DPS staff proposes that a utility may file exception or waiver petitions with the Commission seeking to have the performance results modified. DPS staff proposes that any such request should include specific grounds justifying an exception or waiver and provide any supporting documentation underlying their request. The City recommends additional information be required when a utility requests a waiver and that the Commission establish robust criteria and oversight mechanisms to ensure that waivers are granted only in genuine cases where factors beyond the utility's control have impacted performance. Further, the City recommends that the Joint Utilities include specific details on the efforts made to overcome extraordinary events and outline the steps taken to mitigate the impact on CDG billing and crediting service quality. DPS staff recognizes that the performance requirements proposed by these standards establish the quality of CDG billing

[18] Metric Replication relies on mathematical techniques to verify and validate. The objective is to independently recreate the Joint Utilities' performance metrics. Upon request, the Joint Utilities shall provide, in a usable format, each of the underlying data (flat files) used to calculate the performance for that CDG Sponsor and the performance metric algorithms for each reported CDG billing and crediting metric.

and crediting performance under normal operating conditions, and do not necessarily establish the level of performance to be achieved during periods of emergency, catastrophe, natural disaster, severe storm, or other events beyond the utility’s control.

The Commission adopts DPS staff’s proposal allowing utilities to file waiver petitions and requires that any waiver request identify: (1) the extraordinary nature of the event, (2) the impact of the event on the utility’s CDG billing and crediting service quality, (3) the reasons why reasonable preparations for the event proved inadequate; and (4) the specific days affected by the event. In addition, the request must also include an analysis of the extent to which the event affected performance levels established above.

Review Process

DPS staff proposes a three-year review of the CDG performance metrics to ensure that the metrics are incenting the correct performance. The Commission agrees that a review of the Joint Utilities’ performance is appropriate as the intent of implementing NRAs is to incent the utility to prioritize and focus on CDG billing and crediting. The Commission expects that the Joint Utilities will improve their billing and crediting processes and provide a better customer experience for CDG Program subscribers. Therefore, the Commission directs DPS staff to convene a stakeholder conference within 30 days of the Joint Utilities filing the first full-year annual CDG report. This will allow Staff and stakeholders to review billing and crediting performance sooner than the three-year process proposed by DPS staff. The stakeholder conference should discuss the Joint Utilities’ first year CDG performance metrics, including discussions on the calculations for any NRAs. That review will determine if the metrics adopted in this Order are sufficient to incentivize adequate billing and crediting performance, whether modification should be made to the metrics adopted in this Order, and if any additional measures should be considered. To the extent future modifications or additions are necessary, DPS staff shall file a proposal for public comment.

Tariffs

To effectuate the CDG performance metrics and NRAs outlined in the body of this Order, each member of the Joint Utilities is directed to file tariff amendments. These tariff amendments shall be filed on not less than 30 days' notice to become effective on January 1, 2026. Given the substantial public process associated with the Petition, including the notice of proposed rulemaking, and input from stakeholders regarding the CDG metrics and NRAs adopted by this Order, the Commission waives the requirements of PSL§66(12)(b) and 16 NYCRR §720-8.1 related to newspaper publication of these tariff amendments.

CONCLUSION

The Commission hereby adopts the two CDG metrics, with associated NRAs and monthly credit, and the reporting requirements described in the body of this Order. These metrics will provide a reasonable incentive to improve the CDG billing and crediting process related to the timely furnishing of CDG credits on customer bills and utility response times to CDG Host allocation lists and to ensure against backsliding. The metrics with associated NRAs and monthly credit adopted in this Order are intended to supersede any existing CDG billing and crediting metrics with NRAs and monthly credit adopted by the Commission.

The Commission orders:

1. Central Hudson Gas & Electric Corporation, Consolidated Edison Company of New York, Inc., New York State Electric & Gas Corporation, Niagara Mohawk Power Corporation d/b/a National Grid, Orange and Rockland Utilities, Inc., and Rochester Gas and Electric Corporation shall, by January 1, 2026, implement the Billing Credit Timeliness and Utility Response Time to Host Allocation Lists metrics, as discussed in the body of this Order.

2. Central Hudson Gas & Electric Corporation, Consolidated Edison Company of New York, Inc., New York State Electric & Gas Corporation, Niagara Mohawk Power Corporation d/b/a National Grid, Orange and Rockland Utilities, Inc., and Rochester Gas and Electric Corporation shall, beginning January 1, 2026, implement a $10 credit for Community Distributed Generation subscribers whose bill is not furnished within 75 days of the end of the Host's billing period, as discussed in the body of this Order.

3. Central Hudson Gas & Electric Corporation, Consolidated Edison Company of New York, Inc., New York State Electric & Gas Corporation, Niagara Mohawk Power Corporation d/b/a National Grid, Orange and Rockland Utilities, Inc., and Rochester Gas and Electric Corporation shall, within 60 days of the effective date of this Order, file updated implementation costs based on the metrics adopted in the Order, as discussed in the body of this Order.

4. Central Hudson Gas & Electric Corporation, Consolidated Edison Company of New York, Inc., New York State Electric & Gas Corporation, Niagara Mohawk Power Corporation d/b/a National Grid, Orange and Rockland Utilities, Inc., and Rochester Gas and Electric Corporation are directed to begin filing quarterly reports with the Secretary to the Commission

within 30 days of the end of each calendar quarter ending March 31, June 30, September 30, and December 31, beginning in January 30, 2026, as discussed in the body of this Order and Appendix B. These reports shall be filed in Case 19-M-0463 on a quarterly basis until discontinued by the Commission.

5. Central Hudson Gas & Electric Corporation, Consolidated Edison Company of New York, Inc., New York State Electric & Gas Corporation, Niagara Mohawk Power Corporation d/b/a National Grid, Orange and Rockland Utilities, Inc., and Rochester Gas and Electric Corporation are directed to file annual reports for each calendar year ending December 31st as discussed in the body of this Order and Appendix B. These reports shall be filed in Case 19-M-0463 beginning March 31, 2027, and annually thereafter, until discontinued by the Commission.

6. Department of Public Service staff shall, within 15 days of the effective date of this Order, file templates for the quarterly and annual reporting directed in Ordering Clause Nos. 4 and 5, respectively, as discussing the body of this Order.

7. Department of Public Service staff shall convene a stakeholder conference within 30 days of the filing of the first annual report directed pursuant to Ordering Clause No. 5, as discussed in the body of this Order.

8. Central Hudson Gas & Electric Corporation, Consolidated Edison Company of New York, Inc., New York State Electric & Gas Corporation, Niagara Mohawk Power Corporation d/b/a National Grid, Orange and Rockland Utilities, Inc., and Rochester Gas and Electric Corporation are directed to make tariff filings to effectuate the Community Distributed Generation metrics and associated Negative Revenue Adjustments, as well as, the $10 per month bill credit related to timely bill crediting, as discussed in the body of this Order. These tariff

amendments shall be filed on not less than 30 days' notice to become effective on January 1, 2026.

9. The requirements of Public Service Law §66(12)(b) and 16 NYCRR §720-8.1, related to newspaper publication of the tariff amendments directed in Ordering Clause No. 8, are waived.

10. In the Secretary's sole discretion, the deadlines set forth in this Order may be extended. Any request for an extension must be in writing, must include a justification for the extension, and must be filed at least three days prior to the affected deadline.

11. These proceedings are continued.

By the Commission,

(SIGNED)

MICHELLE L. PHILLIPS
Secretary

SUMMARY OF COMMENTS

List of Commenters

Advanced Energy United
Ampion, PBC
Arcadia Power
Assemblyman Robert Carroll
Best Energy Power
Brooklyn SolarWorks
City of New York
Cypress Creek Renewables
Elmo Homes, Inc.
Energy Allies
Fifth Avenue Committee
Green Street Power Partners
The Joint Utilities
Nautilus Solar Energy
Network for a Sustainable Tomorrow
Nexamp, Inc.
New York Solar Energy Industries Association and The Coalition for Community Solar Access
Solar One
Sustainergy, LLC
Vote Solar

Advanced Energy United (United)

United supports Staff's Proposal on CDG Performance Metrics and Negative Revenue Adjustments. United argues that timely and accurate application of credits is crucial to the success of the community solar program and states that New York's utilities' failure to apply bill credits in a timely and accurate manner undermines the program. United encourages the Commission to adopt the proposed CDG performance metrics and NRAs.

Ampion, PBC (Ampion)

Ampion strongly supports Staff's Proposal. Ampion argues that the Staff Proposal appropriately aligns utility incentives with consumer protections. Ampion further argues that these performance metrics and NRAs are essential as NY-Sun programs focus community solar participation toward

Disadvantaged Communities and low-to moderate-income (LMI) customers. Ampion states that LMI customers with a higher energy burden are disproportionately impacted by issues and/or delays relating to utility CDG billing and crediting, making these metrics and NRAs an equity issue, along with a clean energy issue.

Arcadia Power (Arcadia)

Arcadia strongly supports Staff's Proposal. Arcadia argues that the timely and accurate application of community solar bill credits is an essential feature for a functioning community solar market. Arcadia states that as customers are required to pay their bill when the bill is issued, it is essential that customers receive their community solar credits in the same billing cycle to ensure the customer is realizing savings on their bill. Arcadia notes that nearly 40 percent of their customers have experienced some type of CDG billing and/or crediting issue. Arcadia argues that this is the single largest issue driving customers to intentionally cancel their community solar subscriptions. Arcadia agrees with comments filed by NYSEIA and CCSA that aligning utility profit motive with customer success and clean energy goals through metrics and NRAs is essential to realize the State's clean energy goals.

Arcadia proposes one additional performance metric to help ensure that utilities issue timely CDG Host Statements and requests the Commission to direct changes to net crediting agreements requiring utilities to issue prompt payments to CDG Hosts of net crediting projects. In relation to the proposed additional performance metric, Arcadia recommends setting a timeline of five business days after the meter reading date for utilities to issue an on-time Host Statement. Arcadia additionally proposes that the project meter reading should occur no less than once per billing cycle. Arcadia’s metric proposal with the associated NRAs is shown here:

% of Late Host Statements	Basis Points at Risk
$>1\%, \leq 3\%$	1
$>3\%, \leq 5\%$	2
$> 5\%, \leq 8\%$	3

Arcadia Reply Comments

Arcadia filed reply comments in response to the Joint Utilities’ comments on the Staff Proposal. Arcadia reiterates its support for Staff’s Proposal and urges the Commission to adopt it in full. Arcadia additionally stated support for the reply comments submitted by CCSA and NYSEIA.

Arcadia argues that the Joint Utilities’ comments do not represent a good faith, cooperative attempt as the Joint Utilities frame the Staff Proposal as entirely unworkable. Arcadia notes that industry presented a very similar proposal nearly one year ago and the Joint Utilities never raised a single claim about the unworkability of that proposal. Arcadia’s reply to the Joint Utilities’ claim that Proposal’s metrics are “unduly burdensome” and “unreasonable” is that the Commission does not direct utilities to develop metrics that are easiest or most convenient but are instead developed to effectively address an issue such as CDG billing and crediting errors.

Arcadia categorically rejects the Joint Utilities’ notion that performance targets should be tied to current and past levels or performance, since it is the utilities current and past performance levels that have prompted this proposal. Arcadia argues these proposed metrics and NRAs are fundamentally different from Customer Service Performance Indicators (CSPIs) since there is a financial impact to developers, customers, and subscriber organizations.

Arcadia identified several areas of potential compromise. Arcadia supports implementation of the Joint Utilities Alternative Proposal with modifications and in conjunction with Staff's Proposal on a phased implementation basis. Arcadia also supports a modified proposal with penalty levels aligned with Upstate Utilities based on a percentage of total CDG credits. Arcadia supports the Joint Utilities recommendation that a Commission order in this proceeding should supersede existing CDG metrics established in individual rate plans.

Arcadia argues that the tolerance thresholds and associated NRAs proposed by the Joint Utilities are insufficient. In relation to the Joint Utilities proposed HAT Metric, Arcadia argues that this will only track matches between the Host Report allocation and the accepted allocation form. Arcadia argues that this is only part of the issue and a significant crediting issue that Arcadia experiences is one in which the credit value on the accepted allocation form does not match the bill credit applied to the customer's bill, which is not tracked by this proposed Joint Utilities metric.

Arcadia further supports a phased approach to implementation of Staff's Metrics. Phase 1 would implement Staff's Timeliness Metric with Staff's proposed tolerance thresholds and NRAs, the Joint Utilities' HAT metric with revised thresholds and penalties, and Staff's Host Communication and Response Metric with Staff's proposed tolerance thresholds and NRAs. Phase 2 would implement the balance of Staff's proposed metrics by the end of 2024.

Arcadia states that it is flexible regarding the Commission's determination on the basis of the NRA, so long as such basis is reasonable and achieves the overarching goals of the Commission's order to establish this proceeding. Arcadia argues that whatever the Commission uses as the basis of its NRA should generally reflect the current monetary penalty values proposed, particularly for the Upstate Utilities.

Assemblyman Robert Carroll

Assemblyman Robert Carroll strongly supports Staff's Proposal. Assemblyman Carroll states that over the past several years, they have received complaints from residents who have experienced some type of billing or credit error or delay. Assemblyman Carroll argues that their constituents chose to participate in New York's clean energy transition and were deprived of the utility bill savings they were entitled to by failures at the utility. Assemblyman Carroll argues that the failure to issue timely and accurate solar credits is undermining the growth of the solar industry and the fight against climate change, and comments that strong oversight and accountability measures are necessary and encourages the Commission to adopt Staff's Proposal.

Best Energy Power (BEP)

BEP strongly supports Staff's Proposal. BEP argues that the Staff Proposal appropriately aligns utility incentives with consumer protections. BEP notes, and echoes statements from other commenters, that customers must pay for community solar credits far in excess of their monthly energy usage as Joint Utilities are applying multiple months of credits on a single bill. BEP states that this issue often leads to customers forgoing their participation in the community solar project. BEP further argues that these performance metrics and

NRAs are essential as NY-Sun programs focus community solar participation toward Disadvantaged Communities and LMI customers. BEP states that LMI customers with a higher energy burden are disproportionately impacted by issues and/or delays relating to utility CDG billing and crediting, making these metrics and NRAs an equity issue, along with a clean energy issue.

Brooklyn SolarWorks

Brooklyn SolarWorks strongly supports Staff's Proposal. Similar to other commenters, Brooklyn SolarWorks argues that the Staff Proposal appropriately aligns utility incentives with consumer protections, and that customers must pay for community solar credits far in excess of their monthly energy usage as utilities are applying multiple months of credits on a single bill. Brooklyn SolarWorks states that this issue often leads to customers forgoing their participation in the community solar project. Brooklyn SolarWorks further argues that these performance metrics and NRAs are essential as NY-Sun programs focus community solar participation toward Disadvantaged Communities and LMI customers. Brooklyn SolarWorks states that LMI customers with a higher energy burden are disproportionately impacted by issues and/or delays relating to utility CDG billing and crediting, making these metrics and NRAs an equity issue, along with a clean energy issue.

City of New York (the City)

The City supports Staff's Proposal and argues that the proposed NRAs are a needed mechanism to incentivize utilities to address CDG customer billing and crediting issues. The City notes that imposing penalties for inaccuracies will encourage utilities to invest the necessary resources and reduce the likelihood of customers leaving the program. The City notes its support for all six of Staff's proposed performance metrics with associated NRAs and argues that the 41 basis points at risk is an appropriate signal that CDG billing and crediting performance should be on par with other customer service and billing performance metrics. The City recommends stricter triggers within each metric, arguing that the Commission must send a strong signal that continued poor performance by the utilities will not be tolerated. The City outlines those stricter target levels within each proposed metric in their initial comments filed in this proceeding.

The City recommends additional information to be required when a utility requests a waiver and the Commission to establish robust criteria and oversight mechanisms to ensure that waivers are granted only in genuine cases where factors beyond the utility's control have impacted performance. The City recommends the Joint Utilities include specific details on the efforts made to overcome extraordinary events and outline the steps taken to mitigate the impact on CDG billing and crediting service quality. The City further recommends that the Joint Utilities demonstrate measures taken to minimize such events in the future and provide an analysis of how the events affected the established performance levels and identify areas of future improvement.

City of New York Reply Comments

The City submitted reply comments in response to Joint Utilities' comments on the Staff Proposal. The City notes that it is not opposed to an alternative approach if that approach achieves similar results to the Staff Proposal. The City acknowledges potential implementation challenges raised by the Joint Utilities and does not object to the Joint Utilities' recommendation to establish separate metrics for the Downstate and Upstate Utilities, to the extent there are legitimate differences in billing system capabilities.

The City expresses concern that penalties within the Joint Utilities Alternative Proposal is not stringent enough and recommends if the Commission were to adopt some or all of the Alternative Proposal, stricter penalties should be required. The City further objects to the Joint Utilities comments on additional stakeholder collaboration. The City argues these metrics are long overdue and stakeholders cannot afford additional delays.

Cypress Creek Renewables (CCR)

CCR strongly supports Staff's Proposal and argues that the Staff Proposal appropriately aligns utility incentives with consumer protections. CCR notes, and echoes statements from other commenters, that customers must pay for community solar credits far in excess of their monthly energy usage as utilities are applying multiple months of credits on a single bill. CCR states that this issue often leads to customers forgoing their participation in the community solar project. CCR further argues that these performance metrics and NRAs are essential as NY-Sun programs focus community solar participation toward Disadvantaged Communities and LMI customers. CCR states that LMI customers with a higher energy burden are disproportionately impacted by issues and/or delays relating to utility CDG billing and crediting, making these metrics and NRAs an equity issue, along with a clean energy issue.

Elmo Homes, Inc. (Elmo Homes)

Elmo Homes strongly supports Staff's Proposal. In addition to echoing the statements of many other commenters, Elmo Homes states that since 2017, they have experienced multiple and extended delays in the application of CDG credits and statements. Elmo Homes argues that they received high initial bills and once the credits were applied, they in fact paid much more than necessary. Elmo Homes continues to echo other commenters arguing that customers must pay for community solar credits far in excess of their monthly energy usage as utilities are applying multiple months of credits on a single bill. Elmo Homes states that this issue often leads to customers forgoing their participation in the community solar project. Like other commenters, Elmo Homes further argues that these performance metrics and NRAs are essential as NY-Sun programs focus community solar participation toward Disadvantaged Communities and low to moderate income customers. Elmo Homes states that LMI customers with a higher energy burden are disproportionately impacted by issues and/or delays relating to utility CDG billing and crediting, making these metrics and NRAs an equity issue, along with a clean energy issue.

Energy Allies

Energy Allies strongly supports the Staff Proposal and argues that the Staff Proposal appropriately aligns utility incentives with consumer protections. Energy Allies notes, and echoes statements from other commenters, that customers must pay for community solar credits far in excess of their monthly energy usage as utilities are applying multiple months of credits on a single bill. Energy Allies states that this issue often leads to customers forgoing their participation in the community solar project. Energy Allies further argues that these performance metrics and NRAs are essential as NY-Sun programs focus community solar participation toward Disadvantaged Communities and LMI customers. Energy Allies states that LMI customers with a higher energy burden are disproportionately impacted by issues and/or delays relating to utility CDG billing and crediting, making these metrics and NRAs an equity issue, along with a clean energy issue.

Fifth Avenue Committee (FAC)

FAC strongly supports the Staff Proposal and states that the Joint Utilities' failure to apply bill credits in a timely and accurate manner undermines the success of New York's community solar program. FAC argues the Staff Proposal appropriately aligns utility incentives with consumer protections, and the innovative performance based ratemaking framework could also be applied to other emergent outcomes aligned with New York's clean energy goals. FAC asserts that implementing CDG performance metrics and NRAs extends beyond a clean energy issue and is fundamentally an equity issue, as LMI customers with higher energy burden are disproportionately impacted by utility CDG billing and crediting issues. FAC encourages the Commission to adopt the CDG performance metrics and NRAs proposed by Staff.

Green Street Power Partners (GSPP)

GSPP urges the Commission to adopt the Staff Proposal with modifications that include additional performance metrics such as: (1) inclusion of a NRA for not providing Host Statements and transfer statements to the sponsor within 75 days of a system's commissioning date; (2) inclusion of a NRA for not providing Host Statements and transfer statements within 30 days of bill credit disbursement to the subscribers or the end of a production period; (3) inclusion of a NRA for not providing revenue to sponsors within 75 days of project commissioning and within 30 days of all bill credit disbursements to subscribers or their statement being generated; and (4) inclusion of language that would require the utility to contact a customer within a timely fashion in the case there is a billing or crediting issue that is due to a utility error in order to prevent customers from assuming such issues are the result of the sponsor's actions, leading to damaged relationships between the customer and the sponsor. Also, GSPP requests the Commission lower the threshold of when an NRA is imposed regarding customers receiving late credits from 2 percent of customers to 0.2 percent of customers. GSPP argues that a 0.2 percent of customers threshold gives ample room for program growth while maintaining high quality service to CDG off takers.

The Joint Utilities

The Joint Utilities note that quarterly reports filed with the Commission show that all the utilities have greatly improved their CDG billing and crediting processes. The Joint Utilities acknowledge that there is lingering frustration among Hosts and subscribers related to delays in billing and crediting and the accuracy of credits. The Joint Utilities strongly oppose the Staff Proposal because it is unreasonable, difficult to implement, and not based on sufficient factual analysis of utility performance on billing and crediting issues. The Joint Utilities present an Alternative Proposal that avoids many of the problems in the Staff Proposal's metrics and penalties. If the Commission decides to adopt CDG metrics and NRAs, the Joint Utilities argue that they must have time to implement the necessary data collection and tracking systems and gather data on utility performance before setting targets based on actual levels of performance.

The Joint Utilities state that their Alternative Proposal can be implemented in a more efficient, cost-effective, and timely manner. The Joint Utilities propose an Upstate Utilities and Downstate Utilities accuracy metric. For the Upstate Utilities accuracy metric, the Joint Utilities propose the HAT which would measure the transfer of Host credits, as identified in the Host Report, to subscribers. The Joint Utilities would measure and report the percentage of accurate subscriber allocations. The Joint Utilities define an accurate allocation as a match between the subscriber's allocation percentage on the Host Report and the subscriber's percentage allocation on the accepted allocation form for the applicable period. The Upstate Utilities propose a 75-day cure period from the Host Bill Generation Date. The Joint Utilities argue that this approach is more straightforward and cost-effective to measure accuracy than measuring the monetary credit transfers from Host to subscribers as proposed in the Staff Proposal because the monetary credits can be influenced by several factors that are outside the CDG billing transaction. According to the Joint Utilities, exceptions to the credit transfer percentages as specified on the allocation list can be researched and cured within a 75-day period more easily than the value of transferred monetary credits to the CDG subscriber bill. The Joint Utilities propose that as the percentage of allocations transferred incorrectly increases, this metric would impose escalating fines on the subject utility. The Upstate Utilities propose the penalty start with $10 per error, after the 75-day cure period, to match the $10 monthly bill credit used in current rate plans for Con Edison, NYSEG, and RG&E. The Joint Utilities state that they will need additional staff to manually track and report these metrics until the automated system is developed, and propose that the metric could be implemented within 180 days of the Commission order and will commence in the first full calendar year after implementation. The Joint Utilities request that performance levels be reviewed biennially.

Downstate Utilities propose the Host Allocation Correction (HAC) Metric to measure instances when the utility has to recalculate the Host allocation to subscribers such as allocations cancelled and reallocated, and transfers from Hosts to subscribers to adjust an inaccurately processed allocation. Downstate Utilities suggest the HAC Metric be calculated as $10 per Host-level recalculation of an allocation or adjustment occurring later than ten days after the initial allocation. The Downstate Utilities propose implementing the HAC Metric beginning 90 days after a Commission order and reporting their results quarterly. The Downstate Utilities also propose a Host Data Sharing (HDS) Metric which measures the completeness of data provided to CDG Hosts and ensures transparency in the utility billing and crediting process. The metric ensures that Hosts, who may be billing subscriptions fees and/or providing customer service, have access to the same crediting data as the utilities. The Downstate Utilities propose that the HDS Metric be measured as the number of eligible transactions not reported within 75 days of their transaction data in utility billing systems. Eligible transactions would include transfers from the Host to the subscriber, subscriber bill credits, and any adjustment to a subscriber bank balance. The Downstate Utilities propose a $20-per-transaction NRA for each eligible transaction not timely reported to the Host. The Downstate Utilities propose that the tiered penalty levels could be determined after a baseline period of three months, beginning no earlier than 60 days after a Commission order.

The Joint Utilities propose a two-part metric for timeliness which first implements a $10 monthly bill credit similar to the one included in the Staff Proposal for customers starting in the first full calendar month after 90 days from the

Commission order. This metric would replace those bill credits agreed to in the Con Edison, NYSEG, and RG&E rate cases. The $10 bill credit would be implemented first. Each member of the Joint Utilities would credit subscribers with an additional $10 for each month that a customer CDG credit is not applied to their utility bill within 75 days from the Host Bill generation date. The Joint Utilities argue that this metric addresses the concern that customer may leave the program. The Joint Utilities state that the cost of the monthly credits would be the responsibility of the utility's shareholders and not be recovered from customers. The Joint Utilities outline several exceptions to the $10 credit such as not up-to-date subscriber lists; metering issues; and bi-monthly billed customers. The second bill timeliness metric the Joint Utilities propose is a Billing Timeliness (BT) Metric that is closely aligned with the Staff Proposal's Metric 4. The BT Metric is based on the percentage of instances when a subscriber has not had its CDG credit applied to its utility bill within 75 days from the Host Bill Generation date. The Joint Utilities note that the BT Metric would be subject to the same requirements and exclusions which are defined above the $10 bill credit. The Joint Utilities propose that as the percentage of credits that are not transferred on time increase, penalties would increase. The cost of the BT Metrics would be paid by shareholders. The Joint Utilities state that the metric could be implemented within 180 days of a Commission order and commence the first full calendar year after metric implementation. Further, the Joint Utilities recommend that performance levels in each tier be reviewed every two years. The final component of the Joint Utilities proposal is a responsiveness metric since to Metric 5. This metric measures the timeliness of utility responses to Host allocation list requests. The Joint Utilities propose tracking and reporting requirement only, with no associated NRA. The Joint Utilities point out that individual complaints about responsiveness may be addressed through the Commission’s existing complaint process. The Joint Utilities state they will generally adhere to the CDG Host Allocation and Approval Guidance document except for the Host Banked Allocation Requests which are irregular and ad hoc requests. Reporting for this metric would only apply where a utility uses a manual process to receive, validate, and/or provide response for allocation files. The Joint Utilities argue that it would be inefficient to add a separate tracking system to an automated process. The Joint Utilities estimate that they could implement this metric within 180 days of the Commission order.

The Joint Utilities include cost estimates to implement the Joint Utilities’ Alternative Proposal to address billing system updates and the need for additional employees. The Joint Utilities propose reporting for accuracy, timeliness and responsiveness metrics for a two-quarter period prior so that all transactions for that quarter will be included, accounting for the 75-day cure period for the HAT for the Upstate Utilities and the 75-day window proposed under the timeliness metric.

The Joint Utilities argue the Staff Proposal suffers from a series of fundamental flaws such as (1)the proposed metrics lack definition, overlap with other metrics, and are unworkable given current utility capabilities; (2)the proposed performance targets for those metric are extreme relative to other utility performance metrics already in place; (3) the proposes NRAs are an order of magnitude more punitive than those in place for customer service metrics; and (4) the Staff

Proposal ignores the time and costs necessary for implementation. The Joint Utilities note that the CDG Billing Process Order required stakeholders to propose metrics and NRA’s “tied directly to the utilities’ CDG crediting and billing performances” but did not require metrics and NRAs on performance issues not “tied directly” to billing and crediting.

The Joint Utilities contend that the proposed metrics and targets are wholly inconsistent with basic principles for the design and implementation of performance mechanisms. The Joint Utilities add that when the Commission has opined on NRAs, they have aimed for these mechanisms to be simple, clear, and rare. The Joint Utilities assert that the Commission should have base utility metrics that they can measure. The Joint Utilities state that they currently do not have processes in place to measure these new metrics. Concerning Metrics 1 and 3, the Joint Utilities note they will have to establish a parallel system to the current billing system to check the accuracy of the billing system. The Joint Utilities argue they cannot track without expense or analyze all communication across these diverse channels generally, much less for CDG customers specifically. Further, the Joint Utilities recommend that the Commission set non-overlapping metrics so that a single utility deficiency does not result in a cascade of multiple NRAs. The Joint Utilities add that Metric 1 and Metric 2 both measure accuracy, and there is potential overlap between Metric 1 and Metric 3.

The Joint Utilities suggest that the Commission should limit metrics and NRAs to outcomes within utility control. Metrics require clear definitions and appropriate exclusions for contributing factors that are beyond what the Commission intended to measure. The Joint Utilities argue that the CDG billing and crediting metrics should exclude everyday metering and billing issues that can affect any customers and unrelated to the utility's performance. Metric 1 could include everyday metering issues not specific to CDG that may affect the accuracy of CDG Host credits, and Host credits transfers. Metrics 1 and 3 lack a cure period and Metrics 5 and 6 do not allow for the impact of storms or other emergencies. The Joint Utilities assert that the NRA's Proposal waiver process is not certain and no substitute for well-designed metrics from the start. The Joint Utilities maintain that the Commission should not set targets at arbitrary levels, without assessing whether utilities can reasonably achieve that level of performance with appropriate resources. The Joint Utilities recommend that the Commission consider their current and past levels of performance, the resources used to achieve those levels, and whether it would be prudent and beneficial to devote additional resources to improve performance for the broad customer base. Otherwise, the Commission risks adopting a penalty that lack a rational basis. The Joint Utilities add that the Staff Proposal establishes targets without the benefit of data on utility performance. The Joint Utilities note that the Staff Proposal targets are not supported by data because the utilities have not established processes to track such metrics. Metrics 1 and 3 recommend performance thresholds of 99.8 percent for the accuracy of credit transfers and bill credits, allowing Con Edison just 36 errors over the course of the year exposing the company to a penalty of about $3.75 million. The Joint Utilities argue that the NRA's Proposal call for near perfection is outside the bounds of reasonableness.

The Joint Utilities recommend that targets should be reasonable and proportional in comparison to existing

Commission-approved targets for similar utility operations. The Joint Utilities state that they cannot point to any performance mechanisms, not involving health, safety, and system reliability, where the Commission has a target of 99.8 percent. The Joint Utilities argue that Metric 1 and 3 on accuracy and Metric 4 on timeliness are most comparable to two existing one-off metrics from NYSEG, RG&E, and Con Edison's rate plans. However, the Joint Utilities note that the Staff Proposal targets are far stricter. For example, the Joint Utilities add that NYSEG's NRA for estimated bills takes effect only when more than 4.33 percent of its bills are estimated – almost 22 times greater than 0.2 percent of inaccurate credits proposed under Metrics 1 and 3. Further, the Commission, Staff, NYSEG, and RG&E had more than five years of historical data when they agreed to estimate billing targets in the current rate plans. The Joint Utilities argue that the lack of historical data or industry benchmarking should counsel the Commission toward waiting to collect data before setting targets, so they are based on reason. The Joint Utilities state that their Alternative Proposal reflects more measured approaches to setting new performance targets.

The Joint Utilities argue that Metric 6 proposes to require timely responses to questions from Hosts and customers 98 percent of the time, but current rate plans for Joint Utilities reveal performance targets that vary between 55 percent and 75 percent. The Joint Utilities point out that the Staff Proposal recommends responsiveness within two days, but the Uniform Business Practices for DERs require CDG Hosts to provide substantive responses to customers within 14 days. Further, the Joint Utilities maintain that looking across similar procedures, 14 days is a minimum amount of time to respond to customer inquiries. The Joint Utilities state that the Commission is even less strict for areas of critical health and safety. For example, all of the Joint Utilities must respond to customer-reported gas leaks within 30 minutes 75 percent of the time to avoid an NRA and 95 percent within an hour.

The Joint Utilities argue that the NRA values in the Staff Proposal are far higher than necessary to incentivize the utilities to achieve adequate levels of CDG billing and crediting performance, adding that the NRAs are disproportionate to the alleged harms to customers. The Joint Utilities state that a total of $121.2 million is at risk across all utilities based on the Staff Proposal. The Joint Utilities suggest that the numbers will continue to increase as the utilities further invest resources to support increased electrification of homes and businesses, system upgrades to address effects of climate change, and to maintain reliability and energy efficiency initiatives. The Joint Utilities note that the total Value Stack CDG credits across all the Joint Utilities in 2023 amounts to approximately $290 million, while a lion's share of the credits, about 90 percent, remain with the Hosts through subscription fees. The Joint Utilities argue that it would be less expensive for the utilities to purchase the net credits granted to CDG subscribers at a premium than to incur the penalties proposed by Staff. The Joint Utilities assert that the proposed NRAs also compare unfavorably to the customer service performance mechanisms in each utility's rate plan which reflect target that reflect all of their customers. These metrics include customer complaint rate, customer satisfaction scores, and the percentage of customer calls answered within 30 seconds at call centers. The Joint Utilities argue that the 41 basis points at stake across all of the utilities are comparable to the NRAs for these broad customer metrics - $157.8 million for customer service metrics compared to $141.2 million for the CDG NRAs. The Joint Utilities suggest that the Staff Proposal requires utilities to give superior level of service to a relatively small sliver of their respective customer bases. Further, the Joint Utilities point out that the potential penalties for existing customer service metrics range from $11.39 to $30.87 per customer compared to the NRAs proposed for CDG ranging from $224.40 to $374.11 per CDG subscriber, except for Con Edison. Con Edison's potential NRA exposure per year is nearly $4,400 per CDG subscriber.

The Joint Utilities recommend that the Commission should not approve NRAs specific to the CDG program based on the value of a utility's electric plant because it is an indirect relationship to their CDG program. The Joint Utilities add that the Commission should instead base the NRAs on the value of the credits obtained by Hosts and subscribers or the number of discrepancies which more accurately corresponds to the size of their CDG programs.

The Joint Utilities argue that implementing the Staff Proposal will require a shift in resources away from other CDG industry priorities. Also, the Joint Utilities suggest the Commission should establish a timeline for implementation of any metrics that is clear, reasonable, and achievable. The Joint Utilities add that it will take time to create systems to track these metrics in a repeatable, verifiable manner. Any Commission order in this proceeding should supersede the CDG metrics and financial penalties in the existing rate plans of Con Edison, NYSEG and RG&E.

The Joint Utilities argue that some of the reporting requirements do not relate to the six proposed metrics. Further, the requirements are onerous and costly to implement. The Joint Utilities recommend that the Commission establish a stakeholder process to identify the necessary reporting requirements for any metrics and other information that may be useful.

The Joint Utilities argue that the Staff Proposal does not include cost recovery to meet the performance targets. The Joint Utilities recommend that any Commission order should include address cost recovery. The Joint Utilities assert that they will need new systems to develop scorecards and track any new metrics once effective. These metrics will require substantial expenditures for the design, testing, and implementation of new information systems. Further, the Joint Utilities add that they will incur operating and maintenance expenses for new personnel to meet the performance targets and tracking requirements. The Joint Utilities provide cost estimates for each utility in their comments. The Joint Utilities suggest the Commission could expand the one percent applicable to Net Crediting to all CDG Hosts and authorize the Joint Utilities to adjust the fee annually to a level sufficient to cover these costs. Alternatively, the Commission could authorize the Joint Utilities to recover these costs from all customers through a surcharge or other similar mechanism.

Joint Utilities’ Questions and Comments on Individual Metrics

For Metric 1, the Joint Utilities argue that it is unclear in several respects. The Joint Utilities assert that it does not provide a cure period for a utility to correct any inaccurate transfers. The Joint Utilities argue that if a utility identifies and remediates inaccurate transfers within a reasonable time, they should not incur penalties. The Joint Utilities state that it is not clear which utility activities are within the scope of the metric because the metric focuses on transfers from Host to subscribers and there are many preceding steps that can affect the credits initially allocated to Hosts. The Joint Utilities recommend a cure period for metrics involving utility errors. For Metric 2, the Joint Utilities argue that it overlaps with Metric 1 as both metrics look to the same underlying data on the accuracy of credit transfers from Hosts to subscribers and will impose multiple penalties for the same utility errors. The Joint Utilities point out that the numerator and denominator are not defined, and no examples of the calculation are shown. The Joint Utilities recommend the Commission clarify how the Joint Utilities should calculate their performance under this metric.

For Metric 3, as with Metric 2, the Joint Utilities argue there is not a clarifying example of the required calculations. The Joint Utilities argue the intent of this metric is to measure whether the credits on the CDG Host Statement were allocated to the subscriber in a manner that resulted in the maximum credit possible going to the bill with the remainder going to the bank. The Joint Utilities recommend this metric be modified to reflect this understanding. Further, the Joint Utilities add that this metric also includes penalizing utilities for run of the mill billing issues. The Joint Utilities suggest the Commission clarify that this metric will not penalize utilities where the credit amount changes because the utilities canceled a customer bill and rebilled the customer for a different amount.

For Metric 4, the Joint Utilities generally agree with the metric however, the baselines proposed are not based on historical billing performance or benchmarking. The Joint Utilities contend that this metric is inconsistent with other billing metrics, and it is unclear what level of resources would be needed to meet this high threshold. The Joint Utilities note that this metric does not account for other reasons that customers may not be billed that are unrelated to CDG. The Joint Utilities recommend the Commission should provide exceptions to account for these situations.

For Metrics 5 and 6, the Joint Utilities agree that timely and effective responses to Host submissions are important. However, the Joint Utilities argue that a response of 98 percent success rate target is unprecedented and should be supported by benchmarks or historical data. Further, the Joint Utilities maintain that the Commission Order directing NRAs was tied to billing and crediting and not ancillary issues such Host allocation forms. The Joint Utilities argue the two-day targets for responsiveness are also excessive. As stated above, the UBP-DER gives CDG Hosts 14 days to respond to inquiries. The Joint Utilities contend that the 98 percent success rate is much higher than the 70 percent-75 percent response rate for the call answer metric than the industry stakeholder proposal cited as a precedent for this metric. The Joint Utilities note that Host and subscriber inquiries come through various channels so there is no practical way to count and track CDG-specific inquiries. Also, the Joint Utilities assert that Metric 6 is not limited to inquiries to CDG. Under Metric 5, the Joint Utilities are concerned that these metrics do not make any allowance for delays caused by another stakeholder, severe weather events, and holidays. The Joint Utilities add that the Staff Proposal is not clear what constitutes a "successful" resolution and the extent to which an automated response satisfies utility obligations under these metrics. The Joint Utilities argue that Metrics 5 and 6 performance targets will create two classes of utility customers: a small minority entitled to superior levels of billing and nearly immediate responses to inquiries and a large majority who are not. The Joint Utilities suggest that it raises a question of whether CDG subscribers should enjoy a higher level of service than all other customers.

Joint Utilities' Reply Comments

The Joint Utilities reply comments state that they have acknowledged the stakeholders' lingering frustration with past billing and crediting delays, but the goal of this proceeding is not to look backward but to reduce the likelihood of past problems recurring. Additionally, the stakeholders have not adequately considered the costs for the levels of service required to implement the NRA metrics. The Joint Utilities argue that the stakeholders do not understand the costs of requiring unprecedented levels of billing accuracy and timeliness for only CDG customers. The Joint Utilities maintain that the stakeholders' proposals demonstrate the need for more fact-finding regarding appropriate performance targets, so the targets selected have some basis in reason. The Joint Utilities note that NYSEIA and CCSA propose to increase already unsupported and unprecedented performance targets in the Staff Proposal, while the City would require utilities to be perfect 100 percent of the time or incur millions in penalties.

The Joint Utilities state that may parties contend that the Joint Utilities are still derelict in their responsibility to apply solar credits in a timely and accurate manner. The Joint Utilities point out that the record is largely devoid of any information or data addressing billing and crediting trends. The Joint Utilities note that the City states encouraging results from Con Edison. The Joint Utilities argue that increased automation not only improves performance but also mitigates the potential for performance backslides. The Joint Utilities suggest the Commission consider what metrics are still necessary and whether is appropriate to impose unprecedented penalties for a small number of CDG billing and crediting anomalies.

The Joint Utilities argue that the City's recommendation does not consider the costs of deploying utility personnel to meet unrealistic performance threshold. The Joint Utilities note that the City previously stated that there is some tolerable level of billing error for which utilities would not suffer penalties. Also, the City's previous proposal carried a maximum of three basis points not 41 the City now calls reasonable. The Joint Utilities argue that high NRAs also raise significant legal concerns noting that in a recent rate case, Staff's customer service proposal recommendation was found to be unreasonable and extreme and unaligned with financial consequences assign to other utilities. The Joint Utilities contend the Staff Proposal is also unaligned with financial consequences assigned to other metrics. The Joint Utilities add that the City makes recommendations for a waiver system that make it less likely that utilities succeed on a waiver petition. The Joint Utilities suggest a better approach is to implement well-designed performance metrics proposed by the Joint Utilities in their initial comments.

The Joint Utilities assert that NYSEIA and CCSA's recommendation for the Commission adopt the Staff Proposal without delay is unreasonable. The Joint Utilities contend this proposal is unrealistic because it does not consider the steps required to implement an as-yet unknown set of requirements. As the Joint Utilities stated previously, it will take up to 180 days to fully implement any new metric. The Joint Utilities add that it is crucial the Commission give utilities sufficient time to carefully develop the tracking and reporting in a manner that can be fully automated as possible. Plus, the Joint Utilities continue, the data would have to be auditable and subject to "Metric Replication" by DPS Staff. The Joint Utilities argue that all the utilities need adequate time to design, test, implement, stabilize, and validate the systems and programs. The Joint Utilities assert that the implementation time for data collection or benchmarking need to have a reasoned basis for any performance targets.

The Joint Utilities agree with NYSEIA and CCSA that the NRA metrics should apply to both Value Stack and Volumetric customers. The Joint Utilities argue that NYSEIA and CCSA expect near perfection for the timeliness metric, and they fail to recognize that there are many legitimate reasons why customers may not receive a bill within the 75-day period. Also, the Joint Utilities disagree that they should fully allocate credits within one billing cycle because there are numerous reasons why credits cannot be billed withing billing cycle. Plus, the Joint Utilities note that bimonthly bills do not correspond with allocating credits within one billing cycle.

The Joint Utilities oppose NYSEIA and CCSA's metric that require utilities to generate a Host Statement five days after a meter reading date. The Joint Utilities contend that a Host Statement cannot be generated within the five-day period because all subscribers need to be billed which takes at least one billing period before a Host Statement can be generated. The Joint Utilities argue that this metric is not necessary because the timeliness of a Host Statement has caused no harm to subscribers or Hosts. Also, the Host Statement is not fully within the utility's control.

The Joint Utilities object to NYSEIA and CCSA's Proposal to update their Net Credit agreements to require utilities to pay Hosts within 30 days of conclusion of the billing period and pay interest or penalties for late payments. The Joint Utilities recommend the Commission reject this proposal. The Joint Utilities also oppose NYSEIA and CCSA's request to increase the $10 monthly credit to $20 for LMI customers and $500 for master-metered customers. The Joint Utilities argue that this proposal ignores the fact that the $10 credit is to compensate customers for the time value of money associated with not receiving a timely credit and as an incentive to keep the customers in the CDG program. The credit is not to make up for the full credit value. The Joint Utilities point out that the Staff Proposal for the master-metered customers is flawed since there is no way to know if the credits would flow to all customers. The Joint Utilities disagree with NYSEIA and CCSA's recommendation to apply the monthly $10 credit in real time for each month the utility fails to issue CDG credits to a subscriber. The Joint Utilities note that the Staff Proposal follow's Con Edison's rate plan. The Joint Utilities argue that NYSEIA and CCSA's proposal is impractical and would require significant effort to track the days each customer has been waiting for outstanding credits. Also, the Joint Utilities point out that they are not certain who is eligible subscriber until the allocation is processed and credits are posted. The Joint Utilities add the Staff Proposal is straightforward while the NYSEIA and CCSA proposal is administratively complex.

The Joint Utilities agree with NYSEIA and CCSA's suggestion that the utilities should provide CDG credits before any applicable monthly credits, so customer receives the full amount of CDG credits for they are eligible and do not bank more CDG credits because of any $10 monthly credits. The Joint Utilities agree with NYSEIA and CCSA to direct the utilities to separately itemize the monthly credit on the customer bill and the application of the monthly credits on the Host Statement. The Joint Utilities do not see why this is relevant to the Host and should be limited to CDG credits only.

Nautilus Solar Energy (NSE)

NSE supports DPS Staff's proposal to ensure that New York's utility companies properly administer our community solar program and issue timely and accurate credits to solar customers. NSE notes that New York's utilities have struggled with the timely and accurate application of credits, which is an essential feature of a well-functioning community solar program. NSE asserts that bill credits not being applied in a timely and accurate manner is negatively impacting the success of New York's community solar program. NSE agrees Staff's CDG performance metrics and Staff Proposal appropriately aligns utility incentives with consumer protections. Further, NSE argues Staff's performance based ratemaking framework for CDG is an important step that will ensure that Joint Utilities provide adequate service to solar customers and support progress toward New York's clean energy and equity goals.

Network for a Sustainable Tomorrow (NeST)

NeST strongly supports Staff's proposal on CDG performance metrics and NRAs. NeST states that the Joint Utilities' failure to apply bill credits in a timely and accurate manner undermines the success of New York's community solar program. NeST argues Staff's proposal appropriately aligns utility incentives with consumer protections, and the innovative performance based ratemaking framework could also be applied to other emergent outcomes aligned with New York's clean energy goals. Similar to other commenters, NeST asserts that implementing CDG performance metrics and NRAs extends beyond a clean energy issue and is fundamentally an equity issue, as LMI customers with higher energy burden are disproportionately impacted by utility CDG billing and crediting issues. NeST encourages the Commission to adopt the CDG performance metrics and NRAs proposed by DPS Staff.

Nexamp, Inc. (Nexamp)

Nexamp enthusiastically supports Staff's proposal for CDG billing and crediting performance metrics and NRAs. Nexamp states their commitment to enhancing the community solar landscape and ensuring a positive customer experience aligns with several crucial components of DPS Staff's proposal. Such as, the adoption of performance metrics and NRAs, consumer protections, utility accountability, and real-time transparency. Moreover, in regard to inclusivity and equity, Nexamp recommends higher monthly credits for low-income and master-metered customers to reflect an understanding of the disproportionate impact of billing issues on these groups. Ultimately, Nexamp commends the thoughtful considerations and recommendations presented by Staff.

New York Solar Energy Industries Association (NYSEIA) and The Coalition for Community Solar Access (CCSA)

NYSEIA and CCSA support Staff's Proposal for CDG billing and crediting performance metrics and NRAs, and suggest the Commission should adopt Staff's Proposal without delay. NYSEIA and CCSA recognize that a structural and regulatory solution is needed to prevent CDG billing and crediting issues from reoccurring in the future. NYSEIA and CCSA state that CDG billing and crediting issues are not new, and the Joint Utilities have already had ample time to address deficiencies in their staff and systems to issue timely and accurate credits. Moreover, NYSEIA and CCSA argue that the Joint Utilities have had ample time to implement the basic reporting capabilities that are required to ensure that they are providing the required adequate service to their CDG customers.

NYSEIA and CCSA assert that Joint Utilities' billing and crediting errors result in subscriber disenrollment, requiring the CDG developer to incur costs to re-acquire customers while making future customer acquisitions more challenging due to the reputational damage. NYSEIA and CCSA highlight that the financial impact of CDG billing and crediting issues is most severe for CDG Hosts and explain that in cases where the utility fails to issue timely credits and Host statements, CDG Hosts are unable to realize any revenue for the CDG projects that they have developed, financed, constructed, and now operate. CDG billing and crediting issues, NYSEIA and CCSA continue, are affecting the decisions of potential CDG subscribers, CDG Hosts, and financers considering investment in New York's community solar market.

NYSEIA and CCSA urge the Commission to adopt the DPS Staff Proposal and require the first compliance period to begin within 30 calendar days of a Commission Order, or as soon as deemed feasible by Staff. NYSEIA and CCSA recommend Staff's proposed metrics and NRAs should be adopted for all New York CDG customers and apply to both net credited and dual billed customers.

NYSEIA and CCSA argue that billing credit timelines is a critical metric and should be strengthened. NYSEIA and CCSA note Staff has proposed that the Joint Utilities have 75 days from the end of the CDG project's billing cycle to allocate credits to customers. CCSA and NYSEIA instead recommend requiring that credits be allocated within one billing cycle. Furthermore, NYSEIA and CCSA express concern that the threshold for assessing an NRA in Staff's proposal is too high (two percent of CDG customers represents over 20,000 customers) and will not motivate systemic performance improvement across the utilities. NYSEIA and CCSA suggest the threshold be 0.2 percent and argue, while this threshold may seem low, 0.2 percent corresponds to hundreds of customers and this number will only grow over time. NYSEIA and CCSA assert that the threshold should be very low, as delays should be minimal once automation is fully implemented for the Joint Utilities.

NYSEIA and CCSA state that Staff's Proposal is quite comprehensive. However, CCSA and NYSEIA respectfully request that the Commission add one performance metric to help ensure that Joint Utilities issue timely CDG Host Statements. In addition, the Commission should direct changes to net crediting agreements requiring the Joint Utilities remit prompt payment to CDG Hosts for Net Crediting projects. CCSA and NYSEIA are aware of instances where utility crediting delays resulted in CDG Hosts accruing more than one million dollars of unpaid receivables. NYSEIA and CCSA recommend that the Commission add a timeliness of Host Statements metric to specifically mitigate the harm caused to CDG Hosts as a result of reporting and payment delays.

NYSEIA and CCSA argue that for a utility shareholder-funded monthly credit to provide true relief and achieve the desired outcome, the Commission should set a higher monthly credit for certain customers, require that the utilities apply the credit each month that CDG credits are owed, and provide transparency to CDG customers and CDG Hosts on their bills and Host Statements. NYSEIA and CCSA express concern that Staff's proposed credit of $10/month may be too low for LMI customers, who are most sensitive to unpredictable monthly expenses, and for master-metered customers who would be disproportionately impacted by delayed crediting based on the size of their allocation. Therefore, NYSEIA and CCSA support the proposed $10/month credit for mass market customers but recommend that the Commission set the monthly credit at $20/month for LMI customers and $500/month for master-metered residential customers.

NYSEIA and CCSA argue that Staff's description of the monthly credit application process suggests that it occurs only after the utility is caught up on crediting. NYSEIA and CCSA reference this retroactive application of the monthly credit was piloted in Con Edison territory and resulted in significant customer frustration and confusion. Hence, NYSEIA and CCSA encourage the Commission to instead require that the utilities apply the monthly credit in real-time, i.e., each month that the utility fails to issue CDG credits to a subscriber, the subscriber should receive the monthly credit until the utility gets caught up.

NYSEIA and CCSA assert that if the monthly credit is ever applied to a customer bill in the same billing cycle that CDG credits are applied, it is important that the CDG credits be applied first, and the monthly credit be applied after the CDG credits to offset any remaining account balance. NYSEIA and CCSA elaborate, if the monthly credit were applied to the customer bill before the CDG credits, this would result in more banked credits for the customer. The order of application is important for both dual billed and net crediting customers. NYSEIA and CCSA assert that, even for a net crediting customer where the net credits only offset a portion of the total bill amount, if the monthly credit were applied before the CDG credits, this would result in a reduction to the CDG net credits that could be applied to the customer bill. NYSEIA and CCSA reiterate that unnecessarily banked credits are detrimental for CDG customers and CDG Hosts. Therefore, NYSEIA and CCSA recommend that the Commission specify that the monthly credit must be applied after CDG credits to offset any remaining account balance while minimizing CDG credit banking.

NYSEIA and CCSA advocate that monthly credit transparency is needed for CDG subscribers and Hosts. NYSEIA and CCSA encourage the Commission to direct New York's utilities to ensure that the monthly credit is itemized separately from the CDG credits on the customer bill and that the monthly credit application is always disclosed to the CDG Host, ideally through CDG Host Statements. Furthermore, NYSEIA and CCSA suggest the Commission should establish a robust monthly credit that is additional to the billing credit timeliness metric and NRA.

NYSEIA and CCSA emphasize their support for Section E of the Staff Proposal, in which Staff recommends that the "utilities establish an internal process to ensure the quality of the metrics being reported, including a requirement that the data be retained and be made available for subsequent third party and/or DPS audits."

NYSEIA and CCSA Reply Comments

NYSEIA and CCSA submitted reply comments to focus specifically on substantive errors, logical flaws, and misunderstandings of the Joint Utilities' comments. NYSEIA and CCSA assert that the Joint Utilities comments do not represent an attempt to implement the Commission's order in good faith. NYSEIA and CCSA note that rather than providing timely and accurate feedback to DPS Staff at, or immediately following, the technical conferences so that feedback could be considered and incorporated, the Joint Utilities chose to withhold feedback until April 15, 2024. NYSEIA and CCSA are not certain if this was an intentional choice by the Joint Utilities as part of a regulatory strategy. However, raising significant new concerns and putting forth a watered-down Alternative Proposal in the 11th hour is not an indication of good faith.

Given the procedural history of this docket and the ongoing nature of these billing and crediting issues, NYSEIA and CCSA question the sincerity of the Joint Utilities claim that they are indeed "working in earnest to develop appropriate performance metrics and targets" for two reasons. First, the record shows that the Joint Utilities have had two stakeholder conferences and over 12 months to raise the myriad of supposed structural issues with the industry's proposed metrics, yet they did not do so. Second, had the Joint Utilities truly been "working in earnest to develop appropriate performance metrics and targets" they would make good faith efforts in their comments to address these supposed structural deficiencies with Staff's proposed metrics.

NYSEIA and CCSA argue the Joint Utilities claim that the Staff Proposal's metrics are "unduly burdensome" and "unreasonable" misunderstand the Commission Order. NYSEIA and CCSA note the intent of the Commission Order was to, "ensure customers participating in a CDG program receive timely and accurate bills from their utility." NYSEIA and CCSA assert that the order does not charge Staff with developing CDG billing performance metrics that are the easiest and most convenient to implement for the utility. The Commission clearly states that the intent is to implement metrics that address the ongoing billing and crediting issues. In fact, NYSEIA and CCSA argue that the Staff Proposal sets important and necessary expectations for New York's utilities: New York expects strong performance from its monopoly utilities and as the utilities upgrade their billing systems, basic reporting functionality must not be an afterthought.

NYSEIA and CCSA emphasize that the Joint Utilities Alternative proposal does not adequately address the myriads of billing and crediting issues that industry has identified. NYSEIA and CCSA state the Host allocation transfer metric is insufficient to ensure that CDG customers receive accurate bill. The Joint Utilities alternative to Staff's proposed metric 4 does not include any NRA unless the utility has issued more than ten percent of CDG credits more than 75 days late. NYSEIA and CCSA argue this is inappropriate and undermines the Commission's intent in creating performance metrics and NRAs. While NYSEIA and CCSA's comments advocate for even tighter tolerance than the Staff Proposal, NYSEIA and CCSA's reply comments suggest a two percent tolerance for metric 4 is far more appropriate than the ten percent error tolerance proposed by the Joint Utilities. The intention of allowing a tolerance before an NRA is applied is to ensure that the utilities are not unfairly penalized for small one-time errors or "flukes." NYSEIA and CCSA support the Joint Utilities' proposal to excluding credit transfer delays that are legitimately outside the Joint Utilities' control from the calculation of the metric.

NYSEIA and CCSA note that the Joint Utilities Alternative Proposal omits metrics 3, 4, and 6, and expands the allowable error tolerance before penalties are assessed while also substantially degrading the value of the NRAs. NYSEIA and CCSA fear that the proposed combination of the incomplete metrics paired with modest NRAs will not achieve the Commission's desired result of utility behavioral change to ensure timely and accurate credits for CDG customers.

NYSEIA and CCSA disagree with the Joint Utilities assertion that "the proposed metrics and targets are wholly inconsistent with the basic principles for the design and implementation of performance mechanisms." NYSEIA and CCSA argue that the Staff proposed performance targets are being set at needed levels of utility performance. NYSEIA and CCSA state New York does not have a long track record of implementing NRAs. NYSEIA and CCSA note that with little regulatory precedent binding the State to a specific design approach, the Commission can use this opportunity as a blank slate to begin setting aspirational performance targets for the utilities. NYSEIA and CCSA find it perplexing that the Joint Utilities would suggest that the Commission should set a performance target based on levels the utility deems achievable. NYSEIA and CCSA argue, by virtue of initiating this proceeding, the Commission has already determined that the existing performance levels are unacceptable.

Furthermore, NYSEIA and CCSA assert that the Commission is not bound to set new performance targets at levels for existing targets addressing similar issues. The penalties outlined in the Staff Proposal are appropriate to deter more of the billing and crediting harms already incurred. NYSEIA and CCSA add that the Downstate Utilities NRAs are appropriate.

NYSEIA and CCSA recognize the Joint Utilities comments make some valid claims. NYSEIA and CCSA agree that any Commission order in this proceeding should supersede the CDG metrics approved by the Commission in recent rate cases. NYSEIA and CCSA agree that it is acceptable to allow exclusions for situations entirely outside of the utilities' control, such as developer error and issues arising due to the impact of storms or other emergencies that may affect utility performance. However, NYSEIA and CCSA argue that the Joint Utilities misunderstand the impact to developers that happens when a credit is delayed. NYSEIA and CCSA emphasize that impact is immediate, and when the credit is delayed for utility error, there is no option for a remedy period to correct the mistake. Therefore, NYSEIA and CCSA reject the notion that the utilities should have a 75-day remedy period. NYSEIA and CCSA support utility cost recovery for reasonable costs incurred to implement software improvements to enable the Joint Utilities to measure and report upon the final CDG performance metrics.

NYSEIA and CCSA's reply comments recommend the Commission should proceed with implementing the Staff Proposal expeditiously and with minimal modification. Also, if the Commission argues that the utilities' existing capabilities are insufficient to support rapid implementation of the Staff Proposal, the Commission should consider a phased approach, with immediate implementation of certain metrics – namely Staff's Proposal for timeliness and accuracy – and adoption of the remaining metrics by the end of 2024. NYSEIA and CCSA suggest that the implementation process should begin immediately even for the second phase of metrics.

Solar One

Solar One supports Staff's proposal to ensure the New York's utility companies properly administer the community solar program and issue timely and accurate credits to solar customers. Solar One argues as customers are required to pay their utility bill on a monthly basis, it is imperative that the utility apply community solar credits to the bill in the same billing period. Solar One argues that the utilities' failure to apply bill credits in a timely and accurate manner weakens the success of New York's community solar program. Solar One asserts that uncertain and delayed electric crediting for installed solar PV systems have brought undue costs onto income restricted buildings and have negatively impacted the financial feasibility for the installed solar PV systems. Similar to other commenters, Solar One argues Staff's Proposal appropriately aligns utility incentives with consumer protections, and the innovative performance based ratemaking framework could also be applied to other emergent outcomes aligned with New York's clean energy goals. Solar One contends that implementing CDG performance metrics and NRAs extends beyond a clean energy issue and is fundamentally an equity issue, as LMI customers with higher energy burden are disproportionately impacted by utility CDG billing and crediting issues. Solar One encourages the Commission to adopt the CDG performance metrics and NRAs proposed by Staff.

Sustainergy, LLC (Sustainergy)

Sustainergy strongly supports Staff's Proposal on CDG performance metrics and NRAs. Sustainergy states that the utilities' failure to apply bill credits in a timely and accurate manner undermines the success of New York's community solar program. Similar to other commenters, Sustainergy argues Staff's Proposal appropriately aligns utility incentives with consumer protections, and the innovative performance based ratemaking framework could also be applied to other emergent outcomes aligned with New York's clean energy goals. Sustainergy asserts that implementing CDG performance metrics and NRAs extends beyond a clean energy issue and is fundamentally an equity issue, as LMI customers with higher energy burden are disproportionately impacted by utility CDG billing and crediting issues. Sustainergy encourages the Commission to adopt the CDG performance metrics and NRAs proposed by Staff.

Vote Solar

Vote Solar supports Staff's proposal on CDG performance metrics and NRAs. Echoing the sentiments expressed by other commenters, Vote Solar states that the utilities' failure to apply bill credits in a timely and accurate manner undermines the success of New York's community solar program. Vote Solar argues Staff's proposal appropriately aligns utility incentives with consumer protections, and the innovative performance based ratemaking framework could also be applied to other emergent outcomes aligned with New York's clean energy goals. Vote Solar asserts that implementing CDG performance metrics and NRAs extends beyond a clean energy issue and is fundamentally an equity issue, as LMI customers with higher energy burden are disproportionately impacted by utility CDG billing and crediting issues. Vote Solar encourages the Commission to adopt the CDG performance metrics and NRAs proposed by Staff.

Annual and Quarterly Reporting Items

That utilities are directed to report on the following data points with respect to the overall CDG population:

- The total number of CDG projects at the end of each month of the reporting period (Scorecard, Quarterly Reports).
- The total number of CDG projects at the end of the month for which the utility generated credits (Scorecard, Quarterly Reports).
- The percentage of CDG projects for which the utility generated credits (Scorecard, Quarterly Reports).
- The total cumulative number of CDG subscribers at the end of each month of the reporting period (Scorecard, Quarterly Reports).
- The number of CDG subscribers who had a credit applied to their bill each month of the reporting period (Scorecard, Quarterly Reports).
- The percentage of CDG subscribers who had a credit applied to their bill each month of the reporting period (Scorecard, Quarterly Reports).
- The total dollar value of CDG credits generated each month of the quarterly reporting period.
- The total dollar value of CDG credits that were transferred each month of the quarterly reporting period.
- The percentage of the total dollar value of CDG credits that were transferred each month of the quarterly reporting period.
- The total cumulative number of Energy Affordability Program (EAP) and non-EAP CDG subscribers (distinct numbers) at the end of each month of the reporting period (Scorecard, Quarterly Reports).
- Total number of Value Stack customers that were due a complete application of monthly bill credits within 75 days.
- Number of Value Stack customers that have not received a complete application of monthly bill credits within 75 days (Quarterly & Annual Reports).
- Percentage of Value Stack customers that have not received a complete application of monthly bill credits within 75 days (Quarterly & Annual Reports).
- Number of customers that received an additional bill credit of $10 per month (“Monthly Credit”) for each month following the expiration of the 75-day period until the

Value Stack credits are applied in full (Quarterly & Annual Reports).

- o The total number of Host allocation list submissions (Quarterly & Annual Reports).
- o The number of allocation list submissions that were not responded to on-time (Quarterly & Annual Reports).
- o The percentage of allocation list submissions that were not responded to on-time (Quarterly & Annual Reports).

Finally, the Annual Reports shall include a reporting of the dollar value of a basis point for the reporting utility and a calculation of the overall dollar amounts of NRAs for each Performance metric. The Annual Reports shall also include a reporting of the total number of instances the $10 per month bill credit was applied, the total number of customers receiving a $10 bill credit, and the total dollar value of the $10 per month bill credits paid to customers related to failure apply Value Stack credits in full within the 75-day period.

CDG Host Allocation Review and Approval: Guidance Document

This Guidance Document, developed by the CDG Billing and Crediting Working Group, lays out consensus-based timelines for CDG Host Allocation Review and Approval for an initial host allocation ("New CDG Project") and modification to an already approved host allocation ("Current CDG Project").

For New CDG Project(s) (Initial Allocation Form):

Initial Allocation Forms must be submitted a minimum of 60 days prior to commencing net metering service. Current practice in some investor-owned utility (IOU) service territories is to reject the entire Allocation Form if any listed subscriber allocation is incorrect. CDG Host Sponsors and IOUs agree that this should not be the practice moving forward. Instead, IOUs should move ahead with the full Allocation Form minus the rejected allocation. Further, Sponsors and IOUs agree that changes to the Allocation Form may be made within this 60-day period and shall follow the outline below:

1. Within 2 business days of CDG Host Sponsor submitting an allocation form, the IOU will confirm receipt of the submission. The CDG Host Sponsor email shall clearly state their preferred path should any subscriber accounts be rejected.
2. Within 5 business days (inclusive of the 2 business days above), the IOU will review and return the Allocation Form with either:
    a. An approval of the full list;
    b. Identification of all subscriber allocations that are rejected and the reason (i.e. wrong account number, wrong name, etc.) along with list of all accepted subscriber allocations.
3. Within 5 business days of receiving Allocation Form with rejected allocations, the CDG Host Sponsor shall:
    a. Resubmit corrected Allocation Form to the IOU;
    b. Confirm that submitted Allocation Form should be used, minus the rejected subscriber account(s).

4. Within 2 business days after receiving an updated Allocation Form or after the 5 business days the host has to respond to the IOU, the IOU shall complete its final review and confirm acceptance of the Allocation Form with any remaining rejected subscribers removed, unless Host email specifically states otherwise.
5. The IOU may stop accepting revised allocation forms 30 business days before the CDG Host Account Billing Date and move forward the last submitted Allocation Form with the rejected subscribers removed as outlined in the developer's email.

The above framework is in no way meant to prevent more timely reviews by the utilities and/or the CDG Host Sponsors

For Current CDG Project(s) (Changes to Initial Allocation Form):

Changes to an initial Allocation Form must be submitted a minimum of 15 business days prior to the 30 days (total 45 days) before the CDG Host Account Billing Date to make the appropriate modifications. CDG Host Sponsors and IOUS shall follow the outline below:

1. Within 2 business days of CDG Host Sponsor submitting an Allocation Form the IOU will confirm receipt of the submission. The CDG Host Sponsor email shall clearly state their preferred path should any subscriber accounts be rejected.
2. Within 5 business days (inclusive of the 2 business days above), the IOU will review and return the Allocation Form with either:
   a. An approval of the full list;
   b. Identification of all subscriber allocations that are rejected and the reason (i.e. wrong account number, wrong name, etc.) along with list of all accepted subscriber allocations.
3. Within 5 business days of receiving Allocation Form with rejected allocations, the CDG Host Sponsor shall:
   a. Resubmit corrected Allocation Form to the IOU;

   b. Confirm that submitted Allocation Form should be used, minus the rejected subscriber account(s).

6. Within 2 business days after receiving an updated Allocation Form or after the 5 business days the host has to respond to the IOU, the IOU shall complete its final review and confirm acceptance of the Allocation Form with any remaining rejected subscribers removed, unless Host email specifically states otherwise.

4. When communicating the acceptance of the finalized Allocation Form the utility will specify the first host generation period for which the new list will be applied.

The above framework is in no way meant to prevent more timely reviews by the utilities and/or the CDG Hosts.