



Public Service Commission

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August 3, 2015

(Via E-mail)
Laney Brown
Director, Smart Grid
Planning and Programs
Iberdrola USA
89 East Avenue
Rochester, NY 14649
Laney.Brown@iberdrolausa.com

Re: Case 14-M-0101 – Proceeding on Motion of the Commission in Regard to
Reforming the Energy Vision; Demonstration Project
Proposals.

Dear Laney Brown:

I am writing to advise you of the current status of Staff's review of your proposed REV demonstration projects; the Flexible Interconnect Capacity Solution, Community Energy Coordination, and Energy Marketplace filed on July 1, 2015.

I am pleased to inform you that Staff has determined that the Flexible Interconnect Capacity Solution and Community Energy Coordination projects comply with the objectives set forth in Ordering Clause 4 of the Commission's *Order Adopting Regulatory Policy Framework and Implementation Plan*, issued February 27, 2015 in the above referenced proceeding.

Staff will be contacting you in the next few days to schedule a meeting at the earliest convenience of the project teams. During that meeting Staff will review the

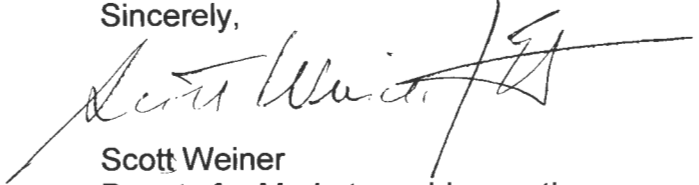
basis of its determination which will be memorialized in reports setting forth the details of Staff's assessment. The assessment reports will be filed with the Secretary of the Commission.

During the meeting Staff will also discuss development of detailed implementation plans, including detailed schedules, budgets, projected milestones and appropriate metrics for the Flexible Interconnect Capacity Solution and Community Energy Coordination projects. The implementation plans are expected to evolve and incorporate lessons learned or new developments within the scope of the project. The project implementation plans will be updated quarterly and will include the reporting obligations set forth in the above referenced Order. Once developed, implementation plans and updates for each project will be filed with the Secretary of the Commission.

I also want to inform you that Staff believes that while the Energy Marketplace represents a potential, relevant and innovative REV demonstration project, further development is required in order to determine compliance with the Commission's Order. During the upcoming meeting, Staff will provide details regarding the basis of its assessment, and the additional information needed to complete its review. Staff will also work with the company's team to establish a mutually agreeable schedule for the submission of addendums to the project's July 1, 2015 filing.

If you have any questions, please contact either Tammy Mitchell at Tammy.Mitchell@dps.ny.gov or 518-486-2462, or Marco Padula at Marco.Padula@dps.ny.gov or 518-474-6694. My colleagues and I look forward to continuing to work the Company in the further evaluation and implementation of these projects.

Sincerely,

A handwritten signature in black ink, appearing to read "Scott Weiner". The signature is stylized and written over a horizontal line.

Scott Weiner
Deputy for Markets and Innovation