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VIA EMAIL

Hon. Michelle L. Phillips
Secretary to the Commission
New York State Public Service Commission
Empire State Plaza
Agency Building 3
Albany, NY 12223-1350
secretary@dps.ny.gov

***Re: Case 21-E-0629 – In the Matter of the Advancement of Distributed Solar,
Comments regarding the Solar Roadmap.***

Dear Secretary Phillips:

Our office represents AES Clean Energy Development, LLC (“AES”), related to the development of solar energy systems located in the state of New York. Recently, AES submitted Community Distributed Generation (“CDG”) projects to the New York State Energy Research and Development Authority (“NYSERDA”). This comment letter requests further clarification on how AES should move forward with projects that have already received a \$0 NY-Sun award and another application for an Inclusive Community Solar Adder (“ICSA”) that has not been awarded yet considering the upcoming budget expansion of the NY-Sun program. This comment letter also expresses AES’s support for the Solar Roadmap’s plan to allow opt-out CDG projects to remain eligible for the Community Adder.

On December 17, 2021, NYSERDA and the New York Department of Public Service (“DPS”) jointly filed “New York’s 10 GW Distributed Solar Roadmap: Policy Options for Continued Growth in Distributed Solar” (“Solar Roadmap”). The Solar Roadmap recommends changes to the structure and implementation of the NY-Sun MW Block program and proposes a budget of \$1.474 billion in funding to help achieve the incremental 4 GW target by 2030 through various methods such as incentives and additional incentive adders, such as the ICSA.

Although the Solar Roadmap discusses future expansions to the funding and capacity

limits, the Solar Roadmap does not discuss whether a developer may resubmit an application that was awarded, or how an application that has been submitted, but not yet awarded will be treated. The following comments reflect concerns that AES has regarding their previous and current applications and requests guidance from the New York State Public Service Commission (“PSC”) on how the previous applications will be treated when the program reopens later this year, and what AES should do as a solar developer to transition the applications to the renewed program.

Previously Awarded NY-Sun Funds

The Solar Roadmap concludes that an expansion of the NY-Sun MW Block program funding would help support the cumulative goal of 10 GW of distributed solar by 2030. The Solar Roadmap specifically recommends the extension of the NY-Sun program through 2030, authorizing an additional NY-Sun budget of \$1.474 billion with \$807 million for base project incentives, and authorizing an additional 3,393 MW of NY-Sun program capacity.

AES has already submitted CDG projects that received a \$0 NY-Sun award due to a lack of funding in the NY-Sun program budget. The NY-SUN applications were submitted as a pre-requisite to apply for the available ICSA funding that closed in August of 2021. With the increase in funding and capacity discussed in the Solar Roadmap, AES would like to know if they may decline the previous \$0 award and resubmit the project when the program reopens later this year, or if a portion of the new funds will be assigned to projects that previously received a \$0 award due to lack of funds.

Allowing AES to resubmit the CDG project or otherwise receive the new funding complies with the purpose of the Solar Roadmap, to expand distributed solar generation throughout New York State and help meet the capacity goals of the NY-Sun MW Block program. AES would like guidance from the PSC on whether AES would be allowed to resubmit, and if so, what the proper procedure would be to resubmit the previously awarded project or what other steps AES should take to qualify for the new funding, if any.

Previously Submitted, But Not Yet Awarded ICSA Application

As another component of the NY-Sun program expansion discussed above, the Solar Roadmap discusses a \$192 million increase for incentive adders including the ICSA, and an increase of 2,270 MW of Community Adder capacity.

In addition to the project detailed above, AES has also submitted an ICSA application that has not yet been awarded. In preparation for the upcoming expansion of the Community Adder budget and MW capacity discussed in the Solar Roadmap, AES is looking for guidance on whether they can remove the current application and resubmit once the program reopens.

As with the resubmission of the CDG projects into the NY-SUN program, allowing AES to remove the pending ICSA application complies with the purpose of the Solar Roadmap and the ICSA program. AES will be applying for the available community adder funds and capacity.

Support For Opt-out CDG Projects' Continuing Eligibility

AES would also like to express their support of the Solar Roadmap's plan to continue to allow opt-out CDG projects to be eligible for the Community Adder. This is an important part of the NY-Sun program and AES supports the continuing eligibility of opt-out CDG projects. By allowing the full Community Adder to remain available, the Solar Roadmap helps preserve a cost saving model that will facilitate the administration of the program and industry adoption of the NY-Sun program expansion.

Conclusion

AES supports the expansion of the NY-Sun program as described in the Solar Roadmap and the impact the program will have on New York State. The Solar Roadmap should be modified to set forth how the recent budget expansion, i.e. new funding, may assist previously awarded projects and projects that have been submitted, but not yet awarded. The projects considered in this scenario are shovel ready projects and are prime examples of projects that will help achieve the 10 GW program expansion goal. These projects should not be discarded because they reached program requirements within the incentive gap. Due to recent inflationary construction build pressures allowing these projects to participate in the NY-SUN program expansion is critical to the success of the projects. We submit this comment letter on behalf of AES seeking further clarification on how such projects may be transitioned to qualify for the new funding available as discussed in the Solar Roadmap.

Very Truly Yours,

/s/ *Terresa M. Bakner*

Terresa M. Bakner