

# ANNUAL REPORT



**NEW YORK**  
STATE OF  
OPPORTUNITY.

**Department  
of Public Service**

**April 1, 2019-March 31, 2020**

**John B. Rhodes, Chair**

**Andrew M. Cuomo, Governor**

## **MISSION STATEMENT**

*The primary mission of the New York State Department of Public Service (Department) is to ensure affordable, safe, secure, and reliable access to electric, gas, steam, telecommunications, and water services for New York State’s residential and business consumers, while protecting the natural environment. The Department, the staff arm of the Public Service Commission, also seeks to stimulate effective competitive markets that benefit New York consumers through strategic investments, as well as product and service innovations.*

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**Department  
of Public Service**

**Public Service  
Commission**

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## FROM THE CHIEF EXECUTIVE OFFICER

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The Department of Public Service (Department) oversees access to energy, telecommunications, and private water services, and it advises the Public Service Commission (Commission) on issues ranging from setting rates and protecting consumers to siting infrastructure and reviewing utility mergers.

The Commission's regulatory jurisdiction extends over investor-owned utilities, including six major electric/gas utilities, five major gas utilities, three major water companies, as well as small telephone companies, hundreds of water companies, municipal electric utilities, cable companies, power generators, and energy service companies. The Department provides regulatory oversight and review of electric service operation on Long Island,

in alignment with Commission and State policies.

Our mandates are threefold. We ensure that these services are safe and reliable, so that customers get the energy and other services that they need. We ensure that companies make appropriate and necessary investments, while preserving affordability for customers by ensuring that services are provided at just and reasonable rates, and we ensure the preservation of environmental values and the conservation of natural resources. FY 2019-20 was another successful year for the Department and Commission. The highlight was the passage of the Climate Leadership and Community Protection Act (CLCPA) which codified Governor Andrew M. Cuomo's Green New Deal goals to combat climate change.

The CLCPA requires the State to achieve a carbon-free electricity system by 2040 and reduce greenhouse gas emissions 85 percent below 1990 levels by 2050, setting a new standard for states and the nation to expedite the transition to a clean energy economy. The new law drives investment in clean energy solutions such as wind, solar, energy efficiency, and energy storage. Implementation of the CLCPA targets investments to benefit disadvantaged communities, create tens of thousands of new jobs, improve public health and quality of life, and provide all New Yorkers with more robust clean energy choices. The Commission has already begun to ramp up our clean energy activity, and FY 2020-2021 will undoubtedly be packed with Commission action to implement the new law.

In FY 2019-20, the Commission took several actions to ensure safe and reliable utility service, including:

- **Developing & Strengthening Clean Energy:** To further promote the growth of renewable energy sources in New York, the Commission adopted a measure to consolidate the utility bills of Community Distributed Generation (CDG) customers. Consolidated billing will lower consumer costs of CDG, improve the overall customer experience, and reduce developer costs. The Commission approved a program to provide residential and small commercial customers utilizing rooftop solar or other distributed energy resources the opportunity to better manage energy costs. Smart Home

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*This year we worked diligently and tirelessly on behalf of New Yorkers, resolving customer complaints, keeping their utility costs down, and moving the State towards a clean future. In 2020-21 we will continue to protect consumers, keep utility rates low and we will redouble our focus on meeting Governor Cuomo's clean energy goals.*

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projects will help customers align their energy use to prices which will help reduce their energy costs and reduce carbon emissions to combat climate change.

To further accelerate the growth of community solar development, the Commission implemented several improvements to the nationally recognized renewable energy policy known as the Value of Distributed Energy Resources. These upgrades create the potential for more than 1,000 megawatts (MW) of additional CDG projects beyond the 500 MW of projects already in the pipeline. By accurately compensating distributed energy producers, we encourage developers to maximize grid benefit and reduce costs for distributed energy providers and consumers. This policy advances the State's renewable energy industry, including the burgeoning CDG market.

- **Ensuring Utilities are Prepared for Emergencies:** Given past experiences of severe-weather events and their impact on the electric system and customers, the Department established the Office of Resilience & Emergency Preparedness (OREP), dedicated to ensuring that the State's utilities plan, prepare for, and respond appropriately to severe weather and other emergency events. In April, the Department issued a comprehensive report of its findings from the 2018 Spring storms across the State, and in response to that report, the Commission commenced enforcement proceedings against New York State Electric & Gas (NYSEG), Rochester Gas & Electric (RG&E), Orange and Rockland Utilities, Inc. (O&R), and Consolidated Edison of New York, Inc. (Con Edison) to consider penalties against the companies for alleged failures to adequately prepare for storms that hit their service territories. As a follow-up to the April report, Governor Cuomo in December announced a \$10.5 million settlement with NYSEG and RG&E, following the companies' failure to adequately prepare for and restore service after storms in 2018 swept through their service territories and left more than 300,000 homes and businesses without power. The O&R and Con Edison investigations remained ongoing by the end of the fiscal year.
- **Siting Renewable Energy Projects:** The New York State Board on Electric Generation Siting and the Environment (Siting Board) approved three new wind farms, with important mitigation measures to protect the environment and host communities. These new wind farms represent over 332 MW of clean renewable energy capacity from 89 turbines, creating over 300 direct construction jobs. In addition to the local community benefits such as jobs and increased tax base, these projects are vital to meet the Climate Leadership and Community Protection Act's (CLCPA) aggressive carbon reduction and clean energy targets. The Commission approved the construction of a 316 MW battery storage facility proposed at Ravenswood's Generating Station in Long Island City. The energy storage facility will hold enough electricity to power over 250,000 households over an eight-hour period. This facility provides a major step toward meeting the CLCPA goal for 3,000 MW of energy storage by 2030. When fully operational, this project will be one of the largest in the United States.
- **Protecting Consumers:** The Commission continued to crackdown on unscrupulous energy service companies, or ESCOs, while strengthening consumer protections and data security. In December, the Commission announced significant reforms to the retail electric and gas markets to strengthen customer protections and to enhance price and operational transparency. The resetting of the retail energy market in New York impacts the day-to-day business of ESCOs, doing business in New York State and the two million residential and small commercial customers in New York State who they serve.

- **Natural Gas Moratorium:** The Commission adopted a settlement announced by Governor Cuomo with National Grid’s downstate gas utilities to resume natural gas hook-ups for thousands of residential and business customers, resolving an open enforcement action against National Grid that could have resulted in the revocation of the utility’s license. The settlement includes the lifting of the moratorium on gas service in Long Island, Queens, and Brooklyn; an independent monitor, appointed by the State, who oversees National Grid’s operations and compliance with this agreement and reports to the State and the Commission; \$36 million from National Grid to compensate customers who were adversely impacted by the moratorium and support new energy-efficiency measures and clean-energy projects; and directs National Grid to consider options to address the long-term supply needs. In 2019, Department staff handled 67,000 consumer complaints and returned roughly \$4 million to customers.
- **Public Participation:** One of the hallmarks of the Commission is the openness and transparency of its regulatory processes. The Commission held 49 public statement hearings across New York State that attracted over 1,000 people. In addition, the Commission received over 28,000 public comments in 2,742 proceedings, and those comments played a key role in helping the Commission in its decision-making process, leading to the issuance of 937 orders. Public input is also important to the Department in development of its recommendations in the matters it considers on Long Island.
- **Building New Transmission Lines:** Under Article VII of the Public Service Law, the Commission approved the construction of new transmission lines in New York State that provides a more robust, resilient and reliable electric system in New York. The longest transmission line was the 86-mile New York Power Authority (NYPA) Smart Path Project, which runs from the Town of Massena, St. Lawrence County to the Town of Croghan, Lewis County. This new transmission line promotes the reliable operation of the grid in upstate New York. Enhanced transmission capability is necessary to meet state’s renewable energy goals.

On March 7, 2020, Governor Cuomo, in response to the COVID pandemic, declared a State emergency and has called on State and local agencies to do their utmost to protect the public health and welfare of the people of the State. The pandemic impacted the customers of multiple industries subject to Commission oversight and programs, including electric and gas distribution utilities, private water supplies, renewable and distributive energy, energy efficiency, telecommunications, broadband, and cable television.

Since the start of the COVID-19 pandemic and the economic downturn, which occurred toward the end of the State’s Fiscal Year, the Commission responded to the most pressing COVID-related impacts for customers on a timely basis as these issues have emerged. Consistent with Governor Cuomo’s executive orders, the Commission undertook several actions to address the ramifications of COVID to industries and sectors subject to Commission oversight and programs. While those actions allowed for prompt responses, the Commission recognized the need to address the ramifications from the ongoing pandemic in a more comprehensive manner as the Commission begins the process of developing and adjusting policies that guide the entities subject to Commission oversight and their customers through the current crisis.

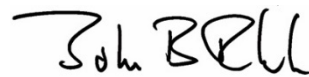
In conclusion, excluding the impact of COVID-19, we have achieved a tremendous amount and our ambitions continue. The keys to our success to date — and the foundations of our continued policy direction — are to: focus on and drive value for all customers, focus on and drive cost-

reduction, harness competition and private funds, and preserve flexibility so as to reap the benefits of new technologies and new possibilities.

By doing so, we can achieve the energy system that New Yorkers need and deserve — clean, reliable, resilient, and affordable. The continuous actions the Commission and Department have taken in FY 2019-20 not only ensure affordable, safe, secure, and reliable access to electric, gas, steam, telecommunications, and water services for New York State’s residential and business customers while protecting the environment, they also stimulate economic growth and job creation. The Commission and the Department are positioned to deliver our core mission and meet the Governor’s ambitious agenda.

More than ever, we have stepped up this past year, as COVID-19 has upended normal life and normal work. I have already expressed my pride and appreciate the work we have accomplished. Let me close by also recognizing and thanking staff for their personal strength and character during these very tough times – as colleagues, volunteers and members of our communities. Thank you.

Sincerely,

A handwritten signature in black ink that reads "John B. Rhodes". The signature is written in a cursive, slightly stylized font.

John B. Rhodes  
Chair and CEO  
August 3, 2020



## INTRODUCTION

Availability of reliable, affordable and safe electric, natural gas, water, steam, telecommunications, and cable services is critical to the welfare of the State's citizenry and essential to New York's economy. The Department and the Commission were statutorily established to oversee these natural monopolies to ensure their essential services are safe and reliable, provided at just and reasonable rates, and are protective of natural resources. From April 1, 2019 to March 31, 2020, the Department and the Commission continued this mission. We also continued to seek to stimulate effective competitive markets that benefit New York consumers through strategic investments and encouraged development of new innovations.

The staff of the Department is the investigative and advisory body to the Commission relating to the State's utilities, and provides a similar function with respect to applications to construct and operate generating facilities before the New York State Board on Electric Generation Siting and the Environment (Siting Board) pursuant to Article 10 of the Public Service Law. In addition, the Department administers policies, rules, and regulations promulgated by the Commission, including service and operating standards for utilities. The Chair of the Commission is the chief executive officer of the Department and the chair of the Siting Board.

The Department's responsibilities include advising the Commission on all decisions it must make in matters such as rate determinations, utility financing, consumer protection, safety and reliability of utility services, and siting of gas and electric transmission facilities. The Department also represents the Commission in State and federal proceedings which impact New York ratepayers or have a bearing on State legislative mandates concerning utility services or Commission policies. Staff develops and implements State regulatory and energy policies; inspects utility equipment necessary for rendering service to the public; conducts and participates in hearings; oversees management and operations audits; and receives, investigates and resolves complaints regarding billing, services, and other utility or energy service companies' practices.

## MAJOR INITIATIVES

### **Addressing COVID-19 Pandemic:**

In response to Governor Cuomo's directive in March regarding the COVID-19 pandemic, the Department immediately commenced working with utilities across the State to ensure any customers affected by COVID-19 restrictions would not lose power or heat due to financial hardship. The State's major electric, gas, and water utilities took immediate action to suspend service shutoffs to households during the COVID-19 outbreak.

The State's major electric and gas utilities — Consolidated Edison of New York, Inc. (Con Ed); National Grid; Central Hudson Gas & Electric Corporation; Orange & Rockland (O&R); New York State Electric & Gas Corporation (NYSEG); Rochester Gas & Electric (RG&E); Public Service Enterprise Group Long Island (PSEG-LI) ; and National Fuel Gas Distribution Corporation (NFG) — and smaller utilities committed to suspend non-payment shut-offs for customers, and assist customers impacted by COVID-19 who may be experiencing financial hardship that makes it difficult for them to pay their utility bills during the outbreak. Historically, the Department has asked the utilities for more lenient repayment options during times of hardship. For example, every year during the coldest parts of the winter the major electric and gas utilities suspend service

terminations for non-payment. Similar action was taken during Super Storm Sandy, the 2014 Polar Vortex, and the 2008 financial crisis.

*“Ensuring affordable, safe, secure, and reliable access to electric, gas, and water services for New York State’s residential and business consumers is at the heart of everything we do,” said Department CEO John B. Rhodes. “By suspending utility disconnects we are ensuring that those affected by the virus will not have to worry about keeping critical utility services available.”*

### **Climate Leadership and Community Benefit Act:**

The Climate Leadership and Community Protection Act, signed by Governor Cuomo in July 2019, mandated the Green New Deal's nation-leading clean energy targets: nine gigawatts of offshore wind by 2035, six gigawatts of distributed solar by 2025, and three gigawatts of energy storage by 2030, while calling for an orderly and just transition to clean energy that creates jobs and continues fostering a green economy.

The economy-wide decarbonization called for by Governor Cuomo – and codified in the CLCPA – requires that New York harness a power generation sector that no longer emits greenhouse gases and provides electricity for a greater proportion of the overall economy. Both strategies, the decarbonization of the generation sector and electrification of other sectors while ensuring greater deployment of energy efficiency, need to be carried out collectively and cost-effectively to achieve the state’s ambitious goals.

The CLCPA directs New York State agencies and authorities to collaborate with stakeholders to develop a plan to reduce greenhouse gas emissions by 85 percent from 1990 levels by 2050, and aim to invest 40 percent of clean energy and energy efficiency program resources to benefit disadvantaged communities, achieving 70 percent renewable energy by 2040.

### **Accelerated Renewable Energy Growth and Community Benefit Act:**

In February, Governor Cuomo advanced a 30-day budget amendment to dramatically speed up the permitting and construction of renewable energy projects, combat climate change, and grow the state's green economy.

The Accelerated Renewable Energy Growth and Community Benefit Act created a new Office of Renewable Energy Permitting to improve and streamline the process for environmentally responsible and cost-effective siting of large-scale renewable energy projects across New York while delivering significant benefits to local communities. The announcement accelerates progress towards Governor Cuomo's nation-leading clean energy and climate goals — including the mandate to obtain 70 percent of the state's electricity from renewable sources — as identified under the state's CLCPA.

This groundbreaking legislation underscores the state's commitment to developing renewable energy by creating a new siting process specifically designed for renewable energy facilities.

The state's existing energy generation siting process was designed for permitting fossil-fuel electric generating plants and was created prior to the current nation-leading clean energy and environmental goals under the CLCPA. This new robust siting process creates modernized standards for developing renewable energy projects at an expedited pace to meet the urgency of the climate crisis. By aligning New York's leading climate and economic development strategies,

the legislation ensures that renewable energy development is a central part of the state's economic future and will spur an even greater growth of green jobs.

## REFORMING THE ENERGY VISION (REV)

The CLCPA builds on Governor Cuomo's landmark Reforming the Energy Vision strategy to lead on climate change and grow New York's economy. REV is building a cleaner, more resilient and affordable energy system for all New Yorkers by stimulating investment in clean technologies like solar, wind, and energy efficiency. Already, REV has driven growth in the statewide solar market, improved energy affordability for 1.65 million low-income customers, and has led to more than 150,000 jobs in manufacturing, engineering, and other clean-tech sectors across New York State.

### **Energy-Related Data:**

In March, the Commission initiated a proceeding to address the strategic use of energy-related data, and to develop the policies necessary to appropriately balance privacy and system security concerns with a rapidly changing marketplace. Ready access to customer energy usage and system data is a central theme of the State's Reforming the Energy Vision (REV) strategy to animate markets and to promote innovation and customer choice.

The Commission has recognized the need to address data related issues through many of its prior proceedings and has continued to take necessary steps to increase access to, and the appropriate use of, customer and system data in order to further New York State's clean energy goals and continue support of the Department's mission. Achieving the State's clean energy goals requires the continued development and maintenance of system data and customer energy-related data. The benefits in doing so are numerous and encompass all levels of the market from the customer up, and also support New York State's energy efficiency goals.

*"New York's REV strategy is creating a cleaner, affordable, and more resilient energy system," said Commission Chair John B. Rhodes. "Achieving Governor Cuomo's ambitious carbon reduction goals requires the continued development and maintenance of a strong market for the development of clean distributed energy resources. Accurate and comprehensive energy related data is an unsung but critical component of our work."*

### **Electric Vehicles:**

In July, the Commission approved the expansion of its direct current fast-charging infrastructure program to make fast-charging plugs at newly constructed charging stations eligible for an incentive, provided the station includes a standardized plug type of equal or greater charging capability as the other plugs being installed. In making its decision, the Commission continues to promote publicly available electric charging stations to meet the state's Zero Emissions Vehicle (ZEV) goals.

In January, Governor Cuomo announced that the New York State Department of Public Service issued a report recommending the establishment of a statewide utility-supported "Make-Ready" Program to promote responsible electric vehicle charging station deployment. In addition, the Governor announced that more than 20,000 rebates have been approved for New Yorkers to purchase electric cars under the Drive Clean Rebate initiative, which provides residents with a rebate of up to \$2,000 for the purchase or lease of a new electric car from participating dealers.

In his 2020 State of the State address, Governor Cuomo underscored New York's commitment to further encourage electric vehicle, or EV, ownership. Specifically, the Governor directed the Department of Public Service, in consultation with stakeholders, to propose a make-ready initiative that provides utility support to accelerate the development of the EV charging infrastructure needed to meet the expected EV growth in the next five years.

The report recommended that the Commission direct the State's major electric utilities to build the grid infrastructure needed to enable installation of publicly accessible EV charging stations. To support EV deployment in New York, the report recommends a number of actions to leverage the utilities' expertise and unique position to promote zero-emission vehicle adoption. The Commission has already approved initiatives to encourage the zero emissions market, including residential time-of-use rates for EV charging and annual per-plug incentives to buy down the cost of installing publicly accessible direct current fast charger stations. The Commission has also approved a number of EV demonstration and pilot projects, and the utilities have developed the framework needed to rollout EVs.

In February, the Commission approved an initiative to make nearly 1,075 new, publicly accessible fast-charging plugs eligible for annual incentives with a maximum statewide cost of \$31.6 million. These fast-charging stations provide greater convenience for electric vehicle (EV) owners and are able to charge a long-range EV in 20 minutes as compared to 20 hours using a typical home charger, or four to eight hours using a level-two charger. As of July 1, 2019, there were more than 4,000 electric vehicle charging stations installed statewide.

In March, the Commission improved its direct current fast-charging (DCFC) infrastructure program. Specifically, the Commission clarified certain rules and modified others to allow brand-specific proprietary plugs to be eligible for incentives where the charging station also makes available commonly accepted standardized plug types. The plugs must be capable of charging two vehicles simultaneously at high capacity charging speeds. In making its decision, the Commission is also promoting publicly available electric charging stations to meet the state's Zero Emissions Vehicle (ZEV) goals.

*"To achieve a carbon-neutral economy we must more rapidly electrify the transportation sector," said Commission Chair John B. Rhodes. "Increasing the number of conveniently located and accessible charging stations will eliminate many of the primary barriers to electric vehicle ownership. Encouraging electric vehicles is central to Governor Cuomo's clean-transportation and clean energy goals to reduce our carbon footprint."*

### **Natural Gas Planning:**

In March, the Commission commenced a proceeding to ensure more useful and comprehensive planning for natural gas usage and investments in New York State.

Several major issues are being studied in the proceeding, including:

- **Examining Constraints:** Constraints may be caused by a shortage of pipeline supply capacity, by inadequacy of distribution infrastructure to deliver available pipeline supply, or a combination of these and other factors. These constraints may also vary dramatically among neighboring localities based on existing pipeline configurations. Each utility must now report its analysis of supply and demand balance — current and projected — for each

municipality within its territory, including any projects to address imbalance that are planned or underway.

- **Gas Planning:** Recent developments have challenged conventional approaches to gas system planning. These developments include instances of supply/demand imbalance, the emergence of viable, less traditional and increasingly cleaner alternative solutions for demand and supply, uncertainty associated with major gas infrastructure decisions, and the CLCPA's establishment of state policy directions. This proceeding calls for a comprehensive proposal to modernize gas planning processes suited to forward-looking system and policy needs, designed to minimize total lifetime costs, and inclusive of stakeholders.
- **Non-Pipe Solutions:** Non-pipe solutions such as energy efficiency, electrification, clean demand response, and temporary supply can reduce or eliminate the need for gas infrastructure and investments. These solutions should be integral to planning needs, both in the context of specific avoidable projects, and system-wide to reduce overall demand and need for infrastructure investment. Non-pipe solutions should be built into the gas utility planning process, using criteria which include reliability, practicality, environmental impact, avoided need for infrastructure investments, cost allocations over the appropriate time frame, emissions, and local community impacts.

*“Recent events have shown that we need smarter, more comprehensive and more transparent planning by utilities for gas infrastructure and clean energy alternatives,” said Commission Chair John B. Rhodes. “It is essential for protecting New Yorkers and ensuring they have the infrastructure they need and minimizing what they don’t; it’s critical to ensuring reliability, keeping costs down, and advancing State policies.”*

### **Energy Efficiency:**

In January, Governor Cuomo announced an additional \$2 billion in energy efficiency and building electrification initiatives to combat climate change. The Commission has approved an ambitious set of energy efficiency and electric heat pump targets to dramatically reduce energy consumption in New York. The new targets for investor-owned utilities bring nearly \$2 billion in market-enabling investments to help transform the way New York residents and businesses heat and cool their homes and offices and move towards cleaner and healthier buildings and communities throughout the state. Together with New York State Energy Research & Development Authority (NYSERDA), the New York Power Authority (NYPA), the Long Island Power Authority (LIPA) and a previous Commission order on efficiency, New York State is now investing over \$6.8 billion in energy efficiency and clean heat investments from 2020 through 2025. This historic investment supports New York's Green New Deal strategy and nation-leading mandate to reduce greenhouse gas emissions throughout the state by 85 percent by 2050 and achieve economy-wide carbon neutrality.

With this additional commitment, New York State is now investing more than \$6.8 billion through 2025 to deploy clean heat and energy efficiency technologies in buildings to reduce emissions and combat climate change.

*“Energy efficiency is a go-to resource - the resource you don’t use is usually the cheapest - and we need to aggressively pursue this solution,” said Commission Chair John B. Rhodes. “Governor Cuomo’s commitment to protecting and enhancing our environment has been steadfast. This*

*action to advance energy efficiency and the installation of heat pumps will reduce costs, reduce energy and reduce carbon."*

### **Community Distributed Generation:**

In December, the Commission acted to further promote the growth of renewable energy sources in New York by adopting a measure to consolidate the utility bills of Community Distributed Generation (CDG) customers. Consolidated billing will lower consumer costs of CDG, improve the overall customer experience and reduce CDG sponsor costs. Moreover, the consolidated billing approach approved will reduce market barriers which have impeded development of CDG in many circumstances. Facilitating the ease of enrollment and payment will further encourage solar and other clean energy developers to focus on New York.

*"We need all smart cost-effective clean energy resources in order to deliver on Governor Cuomo's objective of 70 percent clean and renewable energy in New York by 2030, including distributed clean energy," said Commission Chair John B. Rhodes. "This decision takes the next step in accelerating this by meaningfully lowering the cost of community distributed generation so as to benefit New York's customers."*

CDG systems, such as community solar, offer customers that prefer not to install solar directly on their property, or who face economic or geographic barriers to doing so, the opportunity to lower their electric bills using clean renewable energy. Consolidated billing represents an important opportunity to simplify the subscription process while reducing soft costs associated with CDG. It is also more convenient for CDG customers as they no longer have to receive two separate monthly bills- one from their utility company and a separate one from the solar developer.

### **Streetlights:**

In 2015, Governor Cuomo signed legislation amending the Public Service Law to establish procedures for the transfer of ownership of complete street lighting systems to municipalities or other government entities. With the change in ownership, municipalities take control of street lighting and can install state-of-the-art, energy efficient lights and new technologies to lower costs to taxpayers and protect the environment. Since 2015, the Commission has approved the sale of over 72,970 streetlights to 39 municipalities.

LED-related energy savings can contribute significantly to the State's energy and environmental goals. In fact, if all of the State's street lighting were converted to LED fixtures, the energy savings potential is estimated to be enough electricity for 75,000 average-sized houses. Financial savings could be as great as \$28 million per year. Given the opportunity for savings, municipalities across the State have been showing interest in either buying utility-owned streetlight facilities with the intention of converting to LED or working with utilities to convert utility-owned street lighting.

For an average municipality, streetlights may account for up to 40 percent of total local government electric energy consumption. Pursuing conversions allows local governments to lower municipal energy expenditures while also lowering overall emissions from the energy sector, contributing to the State's greenhouse gas reduction goals.

Energy efficiency lights, known as LED or light-emitting diodes, use significantly less energy than traditional street lighting. The adoption of LED lighting can save municipalities up to 65 percent of their electricity costs for street lighting.

*“Governor Cuomo has championed municipal government efficiency and encouraged municipalities to have greater control over their energy usage,” said Commission Chair John B. Rhodes. “Implementing LED street lighting options can play an important role in helping the State achieve its clean-energy goals in support of Governor Cuomo’s Green New Deal.”*

- In May, the Commission approved separate requests to sell utility-owned streetlights to three municipalities: the Town of Red Hook (Dutchess County), the Town of Skaneateles (Onondaga County), and the Town of Rosendale (Ulster County).
- In August, the Commission approved the sale of utility-owned streetlights to the City of Oneonta in Otsego County. With the change in ownership, the City has the option to take control of street lighting and install their own state-of-the-art energy efficient lights to lower costs to taxpayers and protect the environment. The City of Oneonta can purchase 1,094 streetlights and associated facilities from New York State Electric and Gas.
- In October, the Commission approved separate requests to sell utility-owned streetlights to three municipalities: City of Syracuse (Onondaga County); Village of Nyack (Rockland County); and the Town of Warwick (Orange County). The City of Syracuse can purchase 17,586 streetlights and associated facilities from National Grid for nearly \$15 million, the Village of Nyack can purchase 397 streetlights and associated facilities from O&R for over \$112,000; and the Town of Warwick can purchase 240 streetlights and associated facilities from O&R for nearly \$90,000.
- In November, the Commission approved separate requests to sell utility-owned streetlights to three municipalities: City of Utica (Oneida County); City of Dunkirk (Chautauqua County); and the Village of Medina (Orleans County). The City of Utica can purchase 7,058 streetlights and associated facilities from National Grid for \$4.1 million; the City of Dunkirk can purchase 1,522 streetlights and associated facilities from National Grid for \$1 million; and the Village of Medina can purchase 467 streetlights and associated facilities from National Grid for nearly \$70,000.

Approximately one million municipal streetlights across the State may still be converted to more energy efficient technology. This number includes both utility- and customer-owned streetlights.

### **Cybersecurity and Data Privacy:**

In October, the Commission adopted new cybersecurity and data privacy requirements for third-party energy suppliers and companies that electronically receive and exchange utility housed customer data with the utilities’ information technology (IT) systems. The new requirements provide a universal foundation of cybersecurity and data privacy protections, which will ensure the privacy of customer data and protect the utility IT systems while enabling and encouraging data access.

*“The Commission directed the state’s utilities and third-party energy suppliers to provide appropriate cybersecurity protections without erecting significant barriers to development of new energy markets as envisioned by REV,” said Commission Chair John B. Rhodes. “Our new approach provides a universal foundation of cybersecurity and data privacy requirements that encourage a vibrant energy marketplace.”*

The Commission's decision creates critically needed standards to ensure customer data remains protected and secured. The changes are designed to provide protections against a potential cyber incident, while maintaining the confidentiality of customer data, and instilling customer confidence in retail and energy markets which would otherwise suffer reputational harm in the wake of a major cyber event.

Maintaining the security of customer data and the distribution utilities' IT systems is of paramount importance. The Commission is cognizant of potential benefit of data and information to underpin the provision of valuable offers and services to customers, and to enable smart deployment of distributed and clean resources that provide value to the energy system, and hence to customers.

Importantly, the Commission's order recognizes that the data is the customer's data and that customers have a right to direct or consent to the use of that data. Therefore, a balance must be struck between protecting utility IT systems and the privacy of customer data in a way that distributes the risks and responsibility amongst those entities electronically exchanging, receiving, and/or collecting customer data with the utilities, and facilitating the dissemination of customer information with customer consent to companies. Ultimately, a market where all parties observe cybersecurity and privacy protections will reduce the risks associated with electronic communications of customer data between distribution utilities and companies, instilling customer confidence and promoting market development.

### **Energy Storage:**

In April, Governor Cuomo announced that \$280 million of support is available for energy storage projects to accelerate growth within the industry and drive down energy storage deployment costs to build a sustainable and affordable market. This funding, announced during Earth Week, is part of a \$400 million investment to achieve New York's nation-leading energy storage deployment target of 3,000 megawatts by 2030, and supports Governor Cuomo's Green New Deal, a clean energy and jobs agenda that puts New York State on a path to a carbon-neutral economy.

Energy storage enhances the efficiency of the electric grid by capturing excess power from wind and solar energy sources and storing that excess power in industrial-sized batteries for later use. Importantly, energy storage will enable these resources to meet periods of peak demand. The NYSERDA Market Acceleration Bridge Incentive Program will help incentivize approximately two-thirds of the State's 1,500-megawatt target of energy storage by 2025, supporting a self-sustaining market for the State.

In October, the Commission approved construction of the largest battery storage facility in New York State history. The 316-megawatt Ravenswood energy storage facility, which will hold enough electricity to power over 250,000 households over an eight-hour period, will be built on a portion of the Ravenswood Generating Station property in Long Island City, Queens.

*"Energy storage is vital to building flexibility into the grid and advancing Governor Cuomo's ambitious clean energy goals. Projects like Ravenswood enable us to grow the industry and create jobs while we continue on our path toward meeting the country's largest energy storage target," said Commission Chair John B. Rhodes. "When complete, this facility will displace energy produced from fossil plants during peak periods, resulting in cleaner air and reduced carbon emissions."*



According to the developer, Ravenswood Development, LLC, the project will store electricity drawn from the grid and generated by other facilities. Stored energy would then be released to the grid in accordance with New York Independent System Operator's (NYISO) and Con Edison dispatch orders.

The energy storage facility, expected to be partially operational by March 2021, will be able to provide peak capacity, energy and ancillary services, offset more carbon-intensive on-peak generation with power stored during the off-peak period, and enhance grid reliability in New York City. The project represents a unique opportunity to achieve reductions in greenhouse gas emissions and expand clean energy resource use, consistent with the State's clean energy goals.

The project would be developed in an area of the Ravenswood Generating Station that currently is occupied in part by peaker-generating units, most of which are currently not in service. During construction, the project would require between 100 and 120 skilled construction workers to support peak construction periods.

### **Resource Adequacy:**

In August, the Commission commenced a review to examine the alignment of resource adequacy programs, the State's renewable energy and emission reduction goals, and the Commission's duty to assure safe and adequate service at just and reasonable rates. New York, in its push for a cleaner electric grid, has adopted policies to encourage the growth of onshore and offshore wind, solar, and energy storage resources. Resource adequacy is defined as the electric system's ability to supply and deliver the total quantity of electricity demanded at any given time, accounting for scheduled and unscheduled outages of system elements.

Under its Reforming the Energy Vision (REV) initiative, the Commission has committed to aligning compensation for owners of distributed and renewable energy projects for the values they provide to society and the grid, including carbon-free power. Concurrently, the NYISO has the responsibility to ensure that there is adequate electricity supply. The primary goal of the new proceeding is to consider whether capacity products are likely long-term effective solutions for the State's resource adequacy needs given the likely future generating resource mix.

*"New York's Reforming the Energy Vision strategy to create a cleaner, affordable, and more resilient energy system is working," said Commission Chair John B. Rhodes. "We must continue to make sure that all of the State's energy policies share a common goal to ensure clean, reliable, and affordable energy while meeting Governor Cuomo's ambitious carbon-reduction goals."*

Achieving the State's clean energy goals requires the continued development and maintenance of a strong market for the development of clean distributed energy resources. Likewise, New York must ensure resource adequacy. Currently, NYISO uses its Installed Capacity (ICAP) approach, which is designed to promote resource adequacy by providing a pricing signal for new investment. Utilities and third-party retail electricity suppliers are required to purchase adequate ICAP to meet peak load demand plus 'excess' amounts, as required in the NYISO's federally approved wholesale tariff.

An effective resource adequacy program has two fundamental goals. First, to ensure sufficient power generation resources are available for the safe and reliable operation of the electric grid in real time. Second, to provide appropriate incentives for the siting and construction of new resources needed for reliability in the future. Such a program establishes obligations applicable

to all energy suppliers within New York, including investor-owned utilities, energy service providers, and community choice aggregators. The Commission seeks to provide guidance for resource procurements and to promote infrastructure investment that is aligned with the State's public policy objectives while ensuring reliability.

The review is premised on the Commission's authority and statutory responsibility to ensure safe, adequate, and reliable service at just and reasonable rates, and to encourage regulated companies to develop long-range programs.

### **Westchester Clean Energy Action Plan:**

In July, the Commission approved the implementation of a consumer awareness campaign to encourage the installation of renewable energy and energy efficiency resources in Westchester County. The program was developed in consultation with NYSERDA and Westchester County to encourage the installation of renewable energy resources and energy efficiencies in Westchester County.

*"Transitioning to a carbon-neutral economy requires all hands on deck, and New Yorkers are eager to do their part," said Commission Chair John B. Rhodes. "NYSERDA's Westchester County awareness program, developed in response to Con Edison's natural gas moratorium for new customers, represents a smart and strategic approach to assist Westchester's communities, businesses, and residents in accessing reliable clean-energy alternatives to natural gas and to become more energy efficient."*

The program specifically encourages the installation of renewable energy and energy efficiency resources in Westchester County. The State and its partners are already taking action to respond to these interconnected issues through a \$250 million Clean Energy Action Plan that was launched on March 14, 2019 to support energy consumers in the affected areas of Westchester.

### **Energy Prices:**

In May, the Commission announced that the cost for electricity supply is expected to remain near historically low levels this summer. In addition, peak power demand forecasts continue to fall thanks in large part to Governor Cuomo's Reforming the Energy Vision (REV) strategy. The decline in the amount of electricity consumed during the year helps lower costs for consumers and helps save the environment by reducing air pollution from power plants.

There are many factors that are helping to keep prices down, including Commission-ordered programs to lower demand, requiring utilities to use policies to mitigate volatility in prices, all of which are helping to ensure price stability for consumers.

### **Value of Distributed Energy Resources (VDER):**

In April, the Commission acted to improve the overall value, predictability, and certainty for community solar project development. Specifically, the improvements to the Commission's nationally recognized renewable energy policy known as the Value of Distributed Energy Resources (VDER) creates the potential for more than 1,000 megawatts (MW) of additional community distributed generation (CDG) projects beyond the 500 MW of projects already in the pipeline.

By accurately compensating distributed energy to maximize grid benefit and reduce costs for distributed energy providers and consumers, this policy advances the State's renewable energy industry, including the burgeoning CDG market.

VDER compensates owners of solar and other distributed and renewable energy projects for the values they provide to society and the grid, including carbon-free power, thereby reducing cost shifting while still providing good returns to solar and other renewable projects.

*"Distributed clean energy resources are critical to building an energy system that will provide 70 percent clean and renewable energy in New York by 2030, as put forward by Governor Cuomo's Green New Deal," said Commission Chair John B. Rhodes. "Smarter, clearer compensation for these projects assures that these markets are developed in a robust, cost-effective and sustainable way. The order recognizes the necessity to refine and advance compensation for distributed energy to encourage investment in New York's clean energy economy."*

VDER is an innovative successor policy to net metering and was implemented because net metering was a blunt compensation method that did not encourage projects to maximize grid benefits and over time caused unfair impacts on ratepayers. Instead, under this new structure, VDER manages the potential costs of each solar project to the state and to utility customers, maximizing the overall opportunity for distributed solar in New York state without imposing unreasonable costs on nonparticipating ratepayers.

In December, Department staff issued two white papers that were the result of vigorous public input and stakeholder engagement. The order reflected feedback received on these white papers from active parties to the VDER proceeding and other stakeholders.

## STRENGTHENING RELIABILITY

The reliability of New York's electric, natural gas, telecommunications, and private water system is critical to the state's economic vitality and the well-being of society. The Commission and the Department have made ensuring reliability of regulated industries a key goal and responsibility.

### **Smart Path Reliability Project:**

In February, the Commission approved the first phase of the NYPA's plan to rebuild its 86-mile long Moses-Adirondack 1 and 2 transmission lines that run from St. Lawrence County to Lewis County, and upgrading its Moses switchyard in the Town of Massena, St. Lawrence County, and the Adirondack substation in the Town of Croghan, Lewis County. The transmission line, known as the Moses-Adirondack Smart Path Reliability Project, is designed to provide a more robust, resilient, and reliable electric system in Upstate New York.

*"Governor Cuomo has set New York on course to achieving 70 percent of its electricity from renewable sources by 2030, and zero greenhouse gas emissions from the electricity sector by 2040," said Commission Chair John B. Rhodes. "Projects such as the Smart Path project enhance and improve transmission across the State and are absolutely vital to make the renewable energy generated upstate accessible for the entire State."*

## **New York Transco:**

In September, the Commission allowed a consortium of the major utilities, known as New York Transco, to borrow up to \$400 million needed to upgrade transmission corridors that will increase the amount of renewable electricity that can be transmitted across the State.

The upgrades would provide many energy, economic development, and environmental benefits, such as:

- Promoting job growth and the development of new efficient generation resources upstate;
- Reducing environmental and health impacts by eliminating less efficient electric generation;
- Enhancing system reliability, flexibility, and efficiency;
- Increasing diversity in supply, including additional renewable resources;
- Enhancing resiliency/storm hardening and taking better advantage of existing fuel diversity;
- Reducing production costs through congestion relief and reduced capacity resource costs;
- Improving market competition; and
- Improving preparedness for and mitigation of impacts of generator retirements.

## **Western Nassau Transmission:**

In September, the Commission granted PSEG Long Island LLC, on behalf of the Long Island Power Authority, authority to construct and operate the Western Nassau transmission project, a 7-mile transmission line that will provide a more robust, resilient and reliable electric system in Western Nassau County.

Electric transmission systems must be engineered and constructed in a way to ensure continued reliable system operation in the event of certain contingencies. As currently configured, the system feeding Southwest Nassau County does not meet applicable reliability standards. To address this, PSEG-LI proposed adding a new 138-kilovolt (kV) underground transmission line, constituting a second electric transmission circuit between the East Garden City substation in Uniondale and the Valley Stream substation in Lynbrook.

## **Storm Management and Response:**

Governor Cuomo's 2013-14 State Budget provided for significantly more stringent assessment and overview of utility activity requirements in New York. As a result of those changes, each year, electric utilities are now required to submit for Commission review and approval emergency response plans.

In April, the Commission announced completion of a detailed and thorough Department of Public Service (DPS) investigation into the preparation and response of the State's major utilities to five major storms that swept through New York in 2018, each leaving more than 100,000 customers without electricity. As a result of the investigation, utilities' shareholders could face potential storm-related financial penalties for failing to comply with their state-approved emergency plans. The Commission also approved a settlement that resolves storm response failures by NYSEG and RG&E in 2017, and further directed counsel to bring an enforcement proceeding in State Supreme Court to address recurring violations by these companies.

*“When storms knock out power, it is the job of utilities to restore electricity to customers in a timely and safe manner,” Commission Chair John B. Rhodes said. “Utilities are responsible for pre-storm preparation, and the implementation of restoration efforts after a storm to assure safe and adequate electric service to the public. In recent years, the State has faced an increased frequency of severe weather events that have impacted utility infrastructure. It is mission-critical that our utilities are adequately prepared to meet and address these new realities and respond appropriately, including concretely improving plans and practices with each cycle. When a utility fails to meet its responsibilities and commitments, they must and will be held accountable.”*

Winter Storms Riley and Quinn, which hit the mid-Hudson region five days apart in March, had peak outages of approximately 500,000 and 162,000, respectively, resulting in some customers being without power for more than a week. In addition to storms Riley and Quinn, the Department’s investigation focused on three other storms in 2018: a windstorm in Western New York in April; a windstorm in the Plattsburgh and Glens Falls areas in early May; and a severe thunderstorm in the mid-Hudson region in mid-May.

In February, the Commission adopted the terms of a joint proposal with New York State Electric & Gas Corporation and Rochester Gas and Electric Corporation that would settle the companies’ liability for alleged violations stemming from companies’ failure to adequately prepare for winter and spring storms in 2018. Under the terms of the agreement, the companies would pay \$10.5 million from shareholder funds, to be allocated \$9 million to NYSEG and \$1.5 million to RG&E.

The investigation of the 2018 utility storm response covered all of the State’s utilities and identified 43 potential violations and instances where emergency response plans were not followed by various utilities across the state. The investigation results were issued in an April 2019 report, and utilities have already taken steps to adopt recommendations for improved performance.

## **ENSURING AFFORDABILITY AND ACCESS TO SERVICES**

Utility services are essential to the economic welfare of all customers and the State. Ensuring universal access at an affordable price is always a focus of the Commission. After thoroughly scrutinizing proposed rate increases, the Commission typically reduces the amount sought by electric and gas utilities, while continuing to ensure safe, reliable service. We expect to continue those efforts through 2020 and beyond.

We have revitalized our complaint handling process and our public outreach efforts to maximize public involvement in our proceedings. In FY 2019-20, our agency answered more than 65,500 complaints, including more than 50,700 calls. We received and reviewed nearly 28,544 written public comments — nearly 548 a week on average. We held 50 public statement hearings that were attended by hundreds of people. Transparency and public involvement remain an integral component of our work.

### DPS Annual Filing Activity

	FY 18-19	FY 19-20
<b>Document</b>	Filed/Issued	Filed/Issued
<b>Petitions</b>	2,714	2,457
<b>Orders</b>	789	983
<b>Public Notices</b>	474	611
<b>Rulings</b>	432	476

#### **New York American Water:**

In July, the Commission accepted an independent auditor’s final report regarding the elevated number of bill complaints and related issues at New York American Water, Inc. (NYAW). The report by PA Consulting confirmed that the predominant reason for the extensive bill complaints resulted from a failure of NYAW to properly communicate changes to rates with its customers and the pressing need for additional conservation efforts. Additional concerns were raised in the final report concerning the company’s longer-than-normal bill cycles last summer and the lack of a detailed analysis of the root cause of bill complaints. NYAW has filed an implementation plan to adopt recommendations by the independent monitor, which the Commission considered after a public comment period.

*“The independent monitor’s report regarding the billing issues paints a clear picture of a utility that failed to communicate to customers important aspects of its rate structure as well as the objectives of conservation,” said Commission Chair John B. Rhodes. “As a result, customers were unaware of the impacts of higher-than-average water usage on their bills under the new rate structure, which raised valid concerns regarding high consumer bills.”*

In February, the Commission approved a plan to reduce a pending water rate increase for NYAW’s Lynbrook District, its largest, a move that provides much-welcomed financial relief for thousands of families and businesses on Long Island served by the private water company.

With this decision, the Commission reduced the pending rate increase to minimize its impact and allowed the company to move forward with critical infrastructure investment and the roll out of new technology that allowed customers better visibility of their usage and more control over their bills. This decision provided the public and the Commission the opportunity to consider and act on items that will impact rates on a more holistic basis as part of its review of the company’s pending acquisition. Had the Commission not acted, revenues for the Lynbrook District would have increased by \$21.2 million, or 27 percent. With the postponement of certain surcharges, the Commission was able to limit the revenue increase to \$5.2 million, or 6.68 percent, a reduction of \$16 million.

As a result of the Commission’s action, the typical residential customer using about 4,000 gallons per month in the Lynbrook district saw their bill increase from \$34.08 to \$36.09, or by \$2.01 a

month, or 5.9 percent, down from a bill increase of \$9.14 or 26.8 percent as of April 1, 2020, had no action been taken.

Meanwhile, the typical residential customer using about 4,000 gallons per month in the Merrick district saw their bill increase from \$25.44 to \$27.54 or by \$2.10 a month, or 8.3 percent, as of April 1, 2020. The typical residential customer using about 4,000 gallons per month in the Sea Cliff district saw their bill increase from \$38.74 to \$41.13 or by \$2.39 a month, or 6.2 percent, as of April 1, 2020. These increases — on par with Lynbrook’s newly adjusted rates — are not the result of Commission action but are the outcome of NYAW’s 2016 rate case.

NYAW provides residential and non-residential metered and other water services as well as public and private fire protection services in parts of Nassau, Putnam, Sullivan, Ulster, Washington, and Westchester counties. American Water has about 124,000 customers systemwide, including about 120,000 customers on Long Island.

### **Energy Service Companies (ESCOs):**

In December, the Commission announced significant reforms to the retail energy market to strengthen customer protections and to enhance price and operational transparency. The resetting of the retail energy market in New York impacted the day-to-day business of energy service companies, or ESCOs, doing business in the New York State and the two million residential and small commercial customers in New York State who they serve.

*“The Commission recently took steps to protect low-income customers and required that ESCOs guarantee savings for these customers as a condition of service,” said Commission Chair John B. Rhodes. “Our action stops ESCOs from offering products that provide no value to retail energy customers and focuses the companies on those products that do. This action prevents bad actors among ESCOs from overcharging New York consumers, and requires all ESCOs to clearly show each customer how much he or she is being charged for what service.”*

With this decision, the Commission strengthened protections for residential and small commercial customers in the retail energy market by enhancing ESCO eligibility criteria and adopting limitations on the types and prices of products that may be offered to those customers by ESCOs to ensure that those customers are receiving value from the retail energy market.

### **Natural Gas Service:**

In November, the Commission adopted a settlement with National Grid’s downstate gas utilities to resume natural gas hook-ups for thousands of residential and business customers and will resolve an open enforcement action against National Grid that could have resulted in the revocation of the utility’s license.

*“At Governor Cuomo’s direction, the Department of Public Service took swift action to investigate National Grid’s moratorium and to protect consumers,” said Commission Chair John B. Rhodes. “This settlement agreement addresses the customer hardships that were caused by National Grid and sets forth a plan to safely and reliably deal with supply constraints going forward.”*

The settlement adopted, announced by Governor Cuomo, includes the following:

- **Moratorium Lifted:** National Grid agrees to immediately lift the current moratorium on gas service in Long Island, Queens, and Brooklyn. Service was provided to any customers who have been refused and all applications were granted for approximately two years.
- **Independent Monitor:** National Grid agreed to a monitor appointed by the State of New York who is overseeing National Grid's operations and compliance with this agreement, and who will report to the State of New York and the Public Service Commission. The monitor is paid for by National Grid.
- **Customer Compensation, Energy Efficiency, and Clean Energy:** National Grid will pay \$36 million to compensate customers who were adversely impacted by the moratorium and support new energy-efficiency measures and clean-energy projects.
- **Long-Term Options:** National Grid agrees there are several options to be considered to address the long-term supply needs. The long-term options to be considered, among others, include a new pipeline, liquified natural gas (LNG) facilities, compressed natural gas (CNG) facilities, renewable energy sources, conservation strategies, and interoperable systems. National Grid agrees to analyze all available options and present those factors to the public in an open and transparent manner so that an intelligent strategy can be formulated.

National Grid provides natural gas services to 1.8 million customers located in Brooklyn, Queens, and Long Island. Beginning in November 2018, National Grid began imposing conditions of gas service on new and expanded service connections for certain large customers and began denying such connections for all applicants in May 2019.

## INDIAN POINT CLOSURE TASK FORCE

In early 2017, Governor Cuomo announced the appointment of an Indian Point Closure Task Force to ensure compliance with the agreement to close the aging Indian Point nuclear power plant in Westchester County, and to provide guidance and support to affected local municipalities and employees. The task force partners with local governments to address employment and property tax impacts, develop new economic opportunities, and work force retraining. The task force monitors compliance with the closure agreement, coordinate ongoing safety inspections and review reliability and environmental concerns, among other issues.

In FY 19-20, the Department held two public meetings of the Indian Point Closure Task Force (September and January) and additional working group meetings throughout the year. The purpose of the meetings was to continue discussion on the goals and priorities of the Task Force and to report on its progress. At its meetings, the Task Force has publicly discussed and identified initiatives to help the local community prepare for the facility to cease power generation operations and shut down by 2021, discussed the proposed sale of Indian Point for decommissioning, and continued discussions with local labor unions on employee support services.



## ELECTRIC GENERATION SITING

As a result of Governor Cuomo's Clean Energy Standard initiative, applications to site, construct, and operate major renewable electric generation facilities have accelerated. As of March 31, 2020, there were 54 active renewable energy projects in some phase of the Article 10 review process before the New York State Board on Electric Generation and Siting and the Environment, nearly double from 29 active projects in the same period ending March 31, 2019. Specifically, there were 14 wind projects totaling 2,882 megawatts and 40 solar projects totaling 6,539 megawatts, up from 13 active wind cases totaling 2,733 megawatts, and 17 solar cases totaling 1,674 megawatts in the previous period. The Department's rigorous and thorough process gives local communities opportunities to be heard and our siting rules ensure negative siting impacts are addressed.

**Ball Hill Wind:** In April, the Commission approved construction and operation of Ball Hill Wind Energy, LLC's (Ball Hill) wind electric generating facility in Chautauqua County. This utility-scale wind farm will generate enough electricity for more than 28,000 average-sized residential homes.

Ball Hill is expected to produce approximately 100 megawatts (MW) of electric generating capacity using wind turbines located in the Towns of Villenova and Hanover, Chautauqua County. The Facility will include 29 turbines, 23 of which will be built in Villenova and six in Hanover. In addition to the turbines, the facility will include an approximate 25.6-mile 34.5 kilovolt (kV) mostly underground electrical collection system and a new substation to interconnect with the National Grid 230 kV system in the Town of Hanover.

**Offshore Wind:** In July, Governor Cuomo, joined by former Vice President Al Gore, executed the nation's largest offshore wind agreement and the single largest renewable energy procurement by any state in U.S. history - nearly 1,700 megawatts -with the selection of two offshore wind projects, that will create enough energy to power over 1 million homes, create more than 1,600 jobs, and result in \$3.2 billion in economic activity. At the event, Governor Cuomo also signed the Climate Leadership and Community Protection Act, or CLCPA, which adopts the most ambitious and comprehensive climate and clean energy legislation in the country. The announcement underscores New York's undisputed position as a global leader in climate and clean energy, and advances Governor Cuomo's nation-leading mandate of 9,000 megawatts by 2035. Additionally, the offshore wind announcement is expected to catalyze the first generation of major United States supply chain investments by the fast-growing offshore wind sector, positioning New York to be the hub of the nation's burgeoning offshore wind industry.

**Eight Point Wind:** In August, the Siting Board granted approval to Eight Point Wind LLC to build and operate a wind farm facility in Steuben County, New York. The Siting Board's decision follows a rigorous review and public participation process to ensure that the wind farm meets or exceeds all siting requirements.

The 101.8 MW Eight Point wind farm as approved will consist of 31 wind turbines to be located on leased or purchased land. In addition to the wind turbines, the project will also include the construction of access roads, a collection substation, mostly underground 34.5 kilovolt (kV) collection lines, up to two permanent meteorological towers, temporary staging and laydown areas, an operations and maintenance building, and related facilities.

As described by the developer, the project would have major positive economic impacts on the host communities. Construction of the project is expected to create 103 direct construction-related

jobs, estimated to pay \$17.5 million in local payroll. Eight Point Wind also expects that six permanent jobs will be created during operation, with an associated local payroll of approximately \$500,000. Additionally, Eight Point Wind expects to pay upwards of \$25 million to participating landowners, and millions to the local community through PILOT payments. Eight Point Wind will also separately pay the towns upwards of \$300,000 each year through host community agreements.

**Baron Winds:** In September, the New York State Board on Electric Generation Siting and the Environment (Siting Board) granted approval to Baron Winds LLC (Baron Winds) to build and operate a wind facility in Steuben County. The Siting Board's decision follows a rigorous review and robust public participation process to ensure that the Southern Tier wind farm meets or exceeds all siting requirements.

The 242-megawatt (MW) Baron Winds project will consist of up to 68 high-capacity, 492-foot tall wind turbines, with associated electrical collection lines, access roads, meteorological towers, an operation and maintenance building, and a collection substation. Eleven of the turbines will be 2.625 MW and the remaining 57 will be 3.675 MW. The project will be located in the Towns of Cohocton, Dansville, Fremont, and Wayland in Steuben County, and would interconnect to the state's electrical grid along the NYSEG 230 kilovolt (kV) transmission line in the Town of Cohocton.

The project will include the construction of approximately 16.5 miles of access roads to access the turbine locations, 31 miles of underground collection lines, a collection substation, a point of interconnection with the electric grid through the existing 230 kV Canandaigua switching station owned and operated by NYSEG, up to four permanent meteorological towers each approximately 328 feet tall, up to two temporary staging areas for construction, and a 4,000- to 6,000-square-foot operation and maintenance building.

**Number Three Wind:** In November, the New York State Board on Electric Generation Siting and the Environment (Siting Board) granted approval to Number Three Wind, LLC (Number Three Wind) to construct and operate a wind farm in Lewis County. The Siting Board's decision follows an extensive review and public participation process to ensure that the wind farm meets or exceeds all siting requirements.

*"Appropriately sited wind farms represent an essential element of Governor Cuomo's nation-leading Green New Deal which calls for the development of clean energy resources in New York State," said Siting Board Chair John B. Rhodes. "Our approval is the result of rigorous review and strong public input. Wind energy is a clean and renewable energy source that lessens our dependence on fossil fuels. With each Siting Board approval of a renewable energy facility we show that renewable energy works in New York and helps create a clean energy-economy."*

The 105.8-megawatt (MW) Number Three Wind project will consist of 31 turbines, 13 located in the Town of Lowville and 18 to be located in the Town of Harrisburg. The facility will be located on approximately 8,000 acres of leased or owned property. As described by the developer, the project will have positive economic impacts of five permanent jobs, temporary construction employment, lease payments to landowners, and a new source of revenue for schools, fire departments, county government, and town governments. The company estimated that the project construction will create approximately 50 jobs with a payroll of \$4.2 million.

The State's energy policy is to encourage the development of renewable resources necessary to provide for resilient power, reduce fuel cost volatility, and lower greenhouse gas emissions. The

Siting Board determined that the wind farm will be a beneficial addition to the electric generation capacity of the State and is consistent with the State's energy policy and planning objectives. The facility will also serve the goals of improving fuel diversity, grid reliability, and modernization of grid infrastructure. Fuel diversity will be improved through generation of electricity with wind power rather than with fossil fuels; grid reliability will be improved through additional generation of power from a separate site through a different energy source; and modernization of the grid will result from construction of a new electric generating facility.

**Bluestone Wind:** In December, the New York State Board on Electric Generation Siting and the Environment (Siting Board) granted approval to Bluestone Wind, LLC (Bluestone Wind) to build and operate a wind farm in Broome County. The Siting Board's decision follows a detailed review and robust public participation process to ensure that the Southern Tier wind farm meets or exceeds all siting requirements. Bluestone Wind and other wind and solar projects currently under development are vital to meet the Climate Leadership and Community Protection Act's (CLCPA) aggressive carbon reduction and clean energy targets.

*"This approval of Bluestone Wind carefully balances environmental, community, and policy considerations, and meaningfully advances us toward our goal of a zero-carbon emission electric sector by 2040," said Siting Board Chair John B. Rhodes. "With each Siting Board approval of a renewable energy facility we reduce our dependence on fossil fuels, and we demonstrate that renewable energy works in New York and helps create a clean energy-economy."*

The 124-megawatt (MW) Bluestone Wind project will consist of up to 27 wind turbines (23 in the Town of Sanford and four in the Town of Windsor), together with associated underground collection lines, access roads, two permanent meteorological towers, and an operation and maintenance building in the Town of Sanford.

As described by the developer, the project would have a positive economic impact on the host communities, including creating an estimated 150 direct jobs in construction and construction-related services in the State, and generate an estimated seven direct operational jobs during the operation of the facility.

Bluestone estimates that the project represents an approximately \$200 million investment, which will result in a significant increase to Broome County's taxable property base. Once operational, Bluestone says it will pay over \$30 million to local landowners over the life of the project through annual lease payments. This consistent stream of supplemental revenue can protect against fluctuating commodity prices and help maintain family farms.

**Renewable Energy:** In January, the Commission authorized the NYSERDA to create a new, innovative pricing structure to decrease capital costs and further spur the development of much needed clean energy resources in New York State. The action builds on Governor Cuomo's 2020 State of the State announcement that NYSERDA was making competitive awards to 21 large-scale solar, wind, and energy storage projects across upstate New York, totaling over 1,000 megawatts of renewable capacity and 40 megawatts of energy storage capacity. These awards are part of a NYSERDA 2019 procurement for large scale clean energy projects.

*"As a result of Governor Cuomo's determined drive to create a vibrant clean-energy industry, New York has been able to attract billions of dollars in private investment for renewable power supplies, while developing new jobs and clean energy choices for consumers," said Commission Chair John B. Rhodes. "Our decision will benefit renewable energy developers by reducing their risks"*

*while also lowering customer costs. In 2020, the Commission will work tirelessly to implement the Governor's ambitious clean energy goals."*

Specifically, the Commission directed NYSEERDA to offer the option of providing additional financial options and support to developers when NYSEERDA seeks bids to build renewable energy projects. Instead of the traditional fixed price that NYSEERDA had been offering developers, the clean energy authority is now able to compensate developers for the environmental attributes of the solar or wind farm associated with its generation output, based on a reference market index that will change monthly over the life of the contract. Providing an indexed renewable energy credit, or REC, in addition to continuing to allow for a fixed-price bid, provides clean energy developers with more flexibility to adapt their bidding behavior to their respective financing and operational needs and more in line with markets.

## TELECOMMUNICATIONS

The Department is responsible for overseeing the performance of the telecommunication and cable television companies under Commission jurisdiction. The oversight assures that the prices, terms, and conditions of services to consumers are reasonable and adhere to Commission policies and ensures reviews of certification applications, proposed mergers and acquisitions of companies, complaints, and federal matters are addressed. The Department also evaluates telecommunications systems to ensure compliance with technical and safety standards and provides real-time reporting of outages affecting telecommunications networks in support of the state's overall emergency response effort and monitors the restoration of networks following emergencies and natural disasters. In addition, the Department conducts field investigations involving telecommunications outside plants, enforces underground facilities protection, and oversees other technical network issues.

**Charter Agreement:** In July, the Commission approved an agreement with Charter Communications Inc., also known as Spectrum, to resolve disputes over the Commission's network expansion condition that was contained in the Commission's approval of the company's merger with Time Warner Cable, Inc. in 2016. Under the terms of the agreement, Charter will expand its network to provide high-speed broadband service to 145,000 residences and businesses entirely in Upstate New York and will pay an additional \$12 million to expand broadband service to additional premises.

*"Broadband is crucial to driving economic growth and opportunity, especially in communities that are currently unserved or underserved, and Charter needs to deliver broadband access for New Yorkers," said Commission Chair John B. Rhodes. "Approval of this agreement enables the parties to move forward, without being hampered by the time and cost of litigation, to accomplish our important goals to expand access to high speed broadband. This settlement allows the parties to move forward to deliver broadband access to New Yorkers more swiftly and certainly."*

Under the terms of the settlement:

- Charter must complete the expansion of its existing network to pass 145,000 addresses entirely in Upstate New York. This expansion will not include New York City addresses, which the company had previously planned to include in an earlier buildout plan. At the time of the settlement, Charter had passed approximately 65,000 of the required 145,000 addresses. To comply with the settlement, the Department estimates that the company

will invest more than \$600 million, more than double the public benefit value estimated by the Commission in its 2016 merger approval.

- Charter's expansion must be completed by September 30, 2021, in accordance with a schedule providing frequent interim enforceable milestone requirements, with corresponding reporting and accountability.
- Charter pays \$12 million for additional broadband expansion projects at locations to be selected by the Department of Public Service and the New York State Broadband Program Office. Of the \$12 million payments, \$6 million administered by the New York State Broadband Program Office and \$6 million will be paid into an escrow fund for work that will be completed by Charter at the State's direction.

**Frontier Communications:** In August, the Commission received a report from staff indicating that several Frontier Communications Corporation subsidiaries have significant service quality problems, including escalating complaint rates, lengthy repair durations, and localized network reliability issues. As a result, staff is working with Frontier to develop and implement a plan to improve poor localized network reliability conditions for four Frontier subsidiaries.

*"Staff has become increasingly concerned with the service quality of Frontier, especially in its Citizens, Frontier Rochester, Frontier New York, and Ausable Valley subsidiaries; complaints include long repair durations and repeated out-of-service conditions, as well as Internet access and speed issues," said Commission Chair John B. Rhodes. "Customers need the company to do better, and we will ensure that it does."*

In response to the increase in complaints, staff requested Frontier perform a review of its customer trouble reports at a more granular geographic level than the central office territory to identify the localized issues and causes of recurring outages. Staff also requested that Frontier produce monthly data necessary to calculate reliability results for each of the four companies during the most recent three years.

In addition to the production and analysis of more granular data, staff requested that Frontier conduct interviews of its local supervisors and technicians to help identify network plant/facility elements that are substantial contributors to poor network reliability performance. Further, staff is working with Frontier to review the findings of this data analysis and identify the root causes of recurring outages, as well as develop a plan to improve network reliability performance.

**Sage Telecom:** In March, the Commission approved Sage Telecom Communications' request to be allowed to provide cell phone service to low-income customers in New York State under the federal Lifeline service program. The company, which does business as TruConnect, sought Commission designation as an eligible telecommunications carrier (ETC) to receive federal universal service support for offering Lifeline Service.

Consistent with promoting and ensuring that all residents have access to affordable basic telephone service, the FCC's Lifeline Program offers federally discounted service to qualifying low-income consumers. In New York, the Commission did not previously approve wireless ETC designation requests without prior FCC action. However, a recently enacted law allows it to designate commercial cellular telephone service providers as ETCs for purposes of providing Lifeline services without FCC action. As a result, TruConnect became the first wireless company to be designated an ETC without prior FCC action.

**Cable Franchises:** Throughout the year, the Commission approved cable franchise agreements for the Village of Washingtonville (Orange County), the Town of Highland (Sullivan County), the Town of Bovina (Delaware County), the Village of Monroe (Orange County), the Town of Chester (Orange County), Towns of Austerlitz and Ancram (Columbia County), the Village of Dresden (Yates County), the Village of Sidney (Delaware County), the Town of Baldwin (Chemung County), and the Town of Sydney (Delaware County). Importantly, the Commission's confirmation of these cable franchises authorizes construction of facilities to be used for cable television service, which will be bundled with other telecommunications services, including broadband Internet service. In most cases, the cable lines will be installed on existing utility poles located in existing rights-of-way.

*“The availability of state-of-the-art telecommunication services is vital for urban and rural communities, alike,” said Commission Chair John B. Rhodes. “Approving these franchise agreements promotes consumer choice and provides new service offerings in the respective communities while enhancing competition in the telecommunication marketplace.”*

In the telecommunications sector, the Commission continues its oversight of the State's broadband build-out, helping achieve Governor Cuomo's vision for universally available broadband. As part of its approval of cable mergers in the past few years, the Commission has required substantial investment in broadband infrastructure, increased broadband speeds, and new low-income broadband programs throughout New York. These approvals support the State's broadband expansion initiatives.

## COMMISSION RATE-MAKING PROCESS

Under New York State Law, the Commission must consider a utility's proposal and may adopt, reject, or amend any part or all of it. The Office of General Counsel assists in the review of specific rate and service proposals by the utilities. Most proposals for competitive price or service offerings are limited to individual customers or service classifications, but more extensive proposals have also been presented.

A Department of Public Service Administrative Law Judge is assigned to preside over the gathering of public comment and all evidence relating to the proposal. The Administrative Law Judges preside over trial-type hearings or mediate disputes informally. The judge exercises the same authority as a Commissioner in deciding disputes about procedures and the admissibility of evidence. In all types of proceedings, the judge ultimately is responsible for seeking out the most efficient way to conduct the case and then holding the parties to the established schedule. This process ensures that cases are handled at each stage by a judge who is thoroughly familiar with the record.

The judges are trained continually in substantive technical and legal issues, to maintain their expertise as the regulated utilities evolve into a competitive industry. In addition, to maximize the potential efficiencies of completing cases through means other than litigation, the office requires all of its judges to be trained in alternative dispute resolution methods so they can help parties negotiate settlements of individual issues or entire proceedings.

The Commission may hold public statement hearings on a proposal to ensure that public comments and concerns become a part of the official case record, along with all other evidence

that it considers in analyzing the proposal. The purpose of the public statement hearings is to provide an opportunity for the general public to comment on the proposal.

Active public involvement can provide the Commission with a more comprehensive record reflecting a broad spectrum of views from all interested parties.

Evidentiary hearings may be scheduled to allow an opportunity for the parties in the case to cross-examine witnesses, including the company, on the merits of the proposal. The public may attend these open sessions to observe the questioning of the witnesses.

After all the evidence and public comments have been gathered, the judge will present the record of information, including his recommendations, to the Commission.

The Commission will formally consider the case at a regularly scheduled public meeting in either Albany or New York City. The meetings are designed to allow the Commission to discuss a large number of utility-related matters pending before it. The public is invited to listen to these sessions.

After the Commission decides the issues, the judge is responsible for drafting a legally sustainable opinion and order that clearly explains the Commission's conclusions. The Commission will make its decision based on the record and issue a written order.

## MAJOR RATE CASE DECISIONS

A rate case is the formal process used to determine the amounts to charge customers for electricity, natural gas, private water, and steam service provided by regulated utilities.

Rate cases are a primary instrument of government regulation of these industries. Interested persons may intervene and become parties in a utility company's rate case. Typical intervenors include industrial, commercial, and other large-scale users of electricity; public interest groups; representatives of residential, low-income, and elderly customers; local municipal officials; and dedicated advocacy groups.

The Commission is required to set just and reasonable rates for utility customers. The Commission's policy to maintain universal, affordable service is a critical driver of the REV initiative. This is accomplished through thorough assessment of utility rate filings, as well as through management and operations audits which are designed to ensure that utilities are operating efficiently, and we have been successful.

**Consolidated Edison Company of New York, Inc.:** In January, the Commission established a three-year rate plan for electric and gas customers of Con Edison by adopting the terms of a joint proposal that is much more favorable to customers than the company's original request, reducing the initial rate year request by more than three-quarters.

*"The progressive plan we have adopted — endorsed with stakeholder support by environmental groups, large business customers, and municipalities in the region — benefits customers and includes provisions that further important state and Commission objectives," said Commission Chair John B. Rhodes. "With this decision, Con Edison is required to pursue important energy efficiency initiatives among other progressive policies to advance the goals of New York State's*

*nation-leading climate change targets while lowering the bills for most low-income customers, as part of New York's nation-leading policy for energy affordability.”*

The decision requires Con Edison to pursue important energy efficiency initiatives, non-wired and new non-pipeline alternatives, update aging infrastructure, and implement important electric reliability and gas pipeline safety programs, while helping low-income customers. The decision advances important initiatives that advance the goals of climate change legislation, including discontinuing oil-to-gas conversion incentives, undertaking more aggressive natural gas leak management, and pursuing beneficial electrification and cost-effective alternatives to traditional infrastructure investment.

The increases in rates over the three-year term of the electric and gas rates plan are necessary to meet increased company costs, including significant increases in the property tax burden representing more than 40 percent of the increased cost over the three-year period, and to support spending for capital improvements and employee additions, which are necessary to improve electric and gas operations and enhance overall electric and gas system integrity, safety and reliability. Meanwhile, operating costs are lower due to stronger operational efficiencies.

Major drivers associated with the electric and gas delivery rate increases include rate base growth and increases in depreciation expenses and property tax expenses. Additionally, the electric rate increase is also driven by a decrease in forecasted revenue due to declining sales. In particular, the rate increases support Con Edison's investments in infrastructure to provide resiliency to storm and weather events, provide for modernized grid and network operations, and to remove leak prone pipe.

The decision also supports the Reforming the Energy Vision initiative, or REV, which aims to build a cleaner, more resilient and affordable energy system. Highlights of the decision include:

- **Information Technology (IT):** Funding to replace, upgrade, or install new IT related applications including the replacement of its customer service system, an upgrade to its outage management system, and installation of a new geographic information system;
- **Electric and Gas Low-Income Programs:** Provides a discount, depending on the program, to eligible low-income residential customers who are expected to be held harmless from rate increases in the first year of the rate plan. The company waived reconnection fees for its low-income customers, during the terms of the rate plans. They also continue to automatically enroll low-income customers into the budget billing program;
- **Customer Energy Solutions Provisions:** Continues to facilitate electric vehicles in New York through the SmartCharge New York and “Make Ready” infrastructure programs; and
- **Storm Preparedness:** Includes significant expenditures to increase storm resilience.

## COMMISSION OVERSIGHT

**Utility Performance:** The Department and the Commission annually reviews the state's major utilities in terms of their performance in a number of key areas, including electric reliability service,



gas safety, electric safety, and customer service. In 2019, excluding major storms, the statewide interruption frequency for the year was the same as in 2018, and in the statewide five-year average. In 2019, the statewide interruption duration was longer than in 2018, and in the statewide five-year average. The most significant events influencing reliability performance excluding major storms were two significant outages Con Edison incurred during the summer of 2019. The statewide interruption duration, excluding Con Edison, was the same in 2018 indicating the effect Con Edison had on the statewide duration.

**Electric Safety:** New York utilities were in compliance with electric safety standards in 2019. The Commission established these standards in 2005 to safeguard the public from exposure to stray voltage, and to identify and eliminate potentially harmful conditions before serious safety hazards and/or reliability deficiencies develop. New York's electric safety standards continue to have some of the most stringent requirements when compared to other states across the nation. In 2019, manual stray voltage testing was performed on approximately one million utility facilities statewide, resulting in the identification of only 302 stray voltage conditions, all of which were quickly remediated. In addition, the utilities also performed mobile scans in major cities and all stray voltage findings from those surveys were remediated.

**Gas Safety:** Department staff evaluated critical areas of gas safety, including damage prevention, emergency response times, leak management, and non-compliances identified through staff's audit process. Overall, the data indicates that performance has substantially improved since these metrics have been in place, due largely to an increase in requests to mark-out buried pipes before digging began and a decrease in the total number of damages. The total year-end leak backlog improved roughly 14.1 percent from the previous calendar year. Both the total number of leaks discovered, and leaks repaired declined substantially. Overall, the data indicates that performance has substantially improved for utilities across the state over the 17-year period staff has been reporting performance. As utilities continue their outreach efforts, adopt better practices in responding to leak, odor, and emergency reports, and work to replace leak-prone infrastructure, staff expects further performance improvements will occur.

**Customer Service:** Most of the State's utilities met or exceeded the standards for performance on measures of customer service established within their respective rate plans. For its performance in 2019, Rochester Gas & Electric incurred negative revenue adjustments for failing to meet its calls answered in 30 seconds target and estimated meter reads target. As a result, RG&E shareholders will have to pay \$525,000 for the benefit of RG&E customers.

**Utility Regulation:** In May, the Commission took another step to promote clean distributed energy resources and enable clean energy consumers to manage usage and bills as it reorients the electric industry toward a consumer-centered approach that harnesses technology and competitive markets. The decision improves alignment between standby rates and system costs to avoid over- or undercharging customers, which in turn promotes further clean-energy deployment. Moreover, customers with a variety of these resources, including electric cars and heat pumps, will be empowered to choose a rate that enables them to reduce their costs by using energy at times of low demand.

*"Distributed clean energy resources are critical to building an energy system that will provide 70 percent clean and renewable energy in New York by 2030, as put forward by Governor Cuomo's Green New Deal," said Commission Chair John B. Rhodes. "To sustain our progress, we must continue to compensate utilities, energy developers and consumers for investment decisions for*

*the full value that their clean energy investments provide to our electric system. More accurate pricing will provide customers with the increased ability to manage their bills.”*

Distributed energy resources, or DER, are state-of-the-art technologies that generate or manage the demand of electricity at different points of the grid, such as at homes and businesses, instead of centralized exclusively at power plants. These resources can include solar, wind, combined heat and power, electricity storage, electric vehicles, and anaerobic digesters. As such, they are typically smaller in scale than the traditional power plants.

Customers with DERs reduce the amount of electricity flowing through the grid but continue to rely on the availability of the grid. If their bills decrease to reflect their reduced usage, without an element that reflects the continued need for availability, costs caused by those customers would be shifted to other ratepayers. In addition, where excess generation from the DER is sold directly to the utility, that may impose similar grid availability costs. Refined price signals and compensation structures that reward investments that improve overall system efficiency, such as managing loads to reduce peak demand, is fundamental to REV.

**New Commissioners:** In June, Chair Rhodes announced that Tracey A. Edwards and John B. Howard were confirmed by the New York State Senate to serve as commissioners of the Commission. Consistent with the Public Service Law, the two were nominated by Governor Cuomo.

Ms. Edwards has significant experience in the telecommunications industry, working for Verizon and its predecessor for nearly 40 years. She served on the Huntington Town Council from 2014 until 2017.

Mr. Howard brought more than 16 years of experience in the energy sector to the Commission. He had served in Governor Cuomo’s administration since 2011, most recently as Director of Chamber Operations. He also served as the Chief of Staff for Congressman Paul D. Tonko when he was Chair of the Assembly Energy Committee.

## Appendix: Budget Highlights

The FY 2020 Enacted Budget totaled \$104.7 million for the Department, an increase of \$9.3 million from the FY 2019 Budget levels. The year-to-year increase was due to additional appropriations to support eight new FTEs in the area of Article 10 siting and ITS related contractual obligations. The Enacted Budget supported a workforce of 528 employees for the Department, an increase of eight from FY 2019 levels.

### ALL FUNDS APPROPRIATIONS (Dollars)

Category	Available	Appropriations	Change	Re-Appropriations
	2018-19	2019-20		2019-20
State Operations	\$89,672,000	\$98,932,000	\$9,260,000	\$5,500,000
Aid to Localities	\$5,750,000	\$5,750,000	0	\$5,698,000
<b>Total</b>	\$95,422,000	\$104,682,000	\$9,260,000	\$11,198,000

### ALL FUND TYPES PROJECTED LEVELS OF EMPLOYMENT BY PROGRAM FILLED ANNUAL SALARIED POSITIONS

Program	2018-19 FTES	2019-20 FTES	FTE Change
<b>Administration</b>			
Special Revenue Funds - Other	65	65	0
<b>Regulation of Utilities</b>			
Special Revenue Funds - Federal	25	25	0
Special Revenue Funds - Other	430	438	8
<b>Total</b>	520	528	8



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