



December 2, 2019

VIA ELECTRONIC FILING

Honorable Kathleen H. Burgess, Secretary
New York State Public Service Commission
3 Empire State Plaza
Albany, NY 12223-1350

RE: Case 19-M-0463- In the Matter of Consolidated Billing for Distributed Energy Resources, Niagara Mohawk Power Corporation d/b/a National Grid for Authority to Implement Community Distribution Generation Platform

Dear Secretary Burgess:

BlueRock Energy Solar, Inc. d/b/a BlueRock Solar has reviewed National Grid's Petition for Authority to Implement Community Distribution Generation Platform and have prepared and enclosed the following comments to the Petition.

Background

BlueRock Solar has been heavily involved in the development, customer acquisition, and billing and management of New York State subscription style community solar projects since the interconnection of its first project in April 2017. BlueRock Solar's initial experience in NYS community solar projects were with VDER Tranche 0 projects (grandfathered for net metering).

It has been our experience and observation that project development in upstate NYS utility service territories (NYSEG, National Grid and RGE) reduced dramatically with the initial adoption of the March 9, 2017 PSC Order that instituted the transition from net metering to the Value of Distributed Energy Resources ("VDER").

The primary reasons for the initial downturn of the market development in the upstate NY utility service territories was centered around the overall low VDER rates as well as the rates available for the anchor customer that can be subscribed for 40% of each project's offtake.

However, it has been our observation that since the adoption of the PSC's April 18, 2019 Order that instituted the Community Credit for all off takers, development in the upstate NY utility service territories has increased dramatically. This has been evident in the utilization of the allocated capacity per tranche for the Community Credit for all the upstate NY utility services territories.

As of November 15, 2019, and per NYSERDA's website, the following upstate NY utilities have seen the following amount of allocated capacity for the community credit tranche (measured in MW AC):

- National Grid (438 MW of 525 MW available)

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- NYSEG (125 MW of 125 MW available- closed)
- RGE (29 MW of 80 MW).

In National Grid's September 11, 2019 Petition, they argue that community solar development in its service territory has lagged for many reasons including lack of a consolidated billing option and the relatively high cost of customer acquisition and management and billing.

As such, the Petition outlines a Platform 1 ("Net Credit Allocation methodology") to address the consolidate billing issue and Platform 2 ("optional Customer Acquisition and Turnover Management service").

BlueRock Solar's comments to National Grid Petition to Implement Community Distribution Generation Platform- Overall and General

National Grid's Petition makes a passing reference to the substantial increase in community solar development in its service area since the introduction of the Community Credit but argues that several factors contributing to the slow CDG growth still remain. Prior to the introduction of the Community Credit, National Grid saw only 74 MW AC of projects reserved under the Market Transition Credit Tranche over a period exceeding 2 years. Since the introduction of the Community Credit, National Grid has seen 438 MW AC of projects reserved under the new tranche over a period of just 7 months.

As such, these results indicate the primary reason for the initial slow growth of CDG in National Grid to the now rapid growth have to do with the improved VDER crediting mechanism and not with the factors they state still remain.

It is also unclear why National Grid's Petition included Platform 2 at all. The Petition was in response to the PSC's June 18, 2019 consolidated billing proceeding. Platform 2 addresses National Grid's desire to not only perform but to take over CDG customer acquisition and turnover management.

Due to the recent acceleration of CDG development in National Grid since the introduction of the Community Credit, BlueRock Solar does not see the rush to allow National Grid to implement Platform 1 in the timeframe indicated in the Petition. In addition, and for reasons explained later in the comments below, BlueRock Solar does not see the services suggested to be performed by National Grid in Platform 2 to be in the best interests of the industry. BlueRock Solar urges the Commission to outright reject Platform 2.

Platform 1 Specific Comments

On its face, BlueRock Solar does not dispute that an *optional* consolidated billing option would be of some benefit to the industry. We have seen some impediment to customer acquisition efforts due to the fact that an additional bill for customers enrolling in CDG is necessary.

However, BlueRock Solar's most important impediment to customer acquisition experienced has been the lack of consumer awareness of CDG as a whole. In general, too many consumers are unaware of how CDG works. As such, it has been our position that more NYS sponsored customer awareness is what is needed the most at the moment.



While the consolidated billing option does have merit, there will still be a need for third company service providers, currently regulated by the NYS PSC as “DER Providers/Suppliers,” to play an important role. DER Providers will still need to interact with the customer to confirm that CDG bill credits are allocated timely and correct. In addition, DER Providers will be needed for customer allocation and the ultimate receipt of payments on behalf of System Owners from the utility under a consolidated billing system.

BlueRock Solar’s believes that more time is needed to introduce a “net credit allocation method” to the market than suggested in the Petition. The role of the DER Provider is vital to the success of a consolidated billing option. National Grid’s Platform 1 should be given more time for discussion than what was proposed. The net crediting method proposed by National Grid has an impact to all rate payers and as such, needs more time for discussion and debate.

The additional time will also have the added benefit of watching and responding to how the recent growth of CDG in National Grid plays out as the projects reserved under the Community Credit are interconnected and subscribers are enrolled.

Platform 2 Specific Comments

As mentioned above, it is unclear why National Grid included Platform 2 in response to the consolidated billing proceeding. BlueRock Solar urges the Commission to reject National Grid’s Platform 2 proposal included in its Petition.

One of the primary goals of New York State’s Reforming the Energy Vision (“REV”) is private sector innovation and investment. Allowing regulated utility companies, such as National Grid, to perform these services is detrimental to the REV which impacts subscribers and the success of reaching NYS’s clean energy goals.

The NYS CDG market is still evolving and growing rapidly. Introducing a “one size fits all” solution product run by the utilities negatively impacts product innovation benefitting all rate payers.

In addition, National Grid’s Petition does not state a case on why Platform 2 is necessary. On the contrary, by evidence of the rapid utilization of 438 MW AC of the Community Credit Tranche in just over 7 months, indicates that the primary reason for slow CDG growth has been mitigated. BlueRock Solar believes we now have a functioning market in New York, and specifically in National Grid’s service territory, and the services proposed in Platform 2 are not necessary.

Services proposed in Platform 2 by any utility would also result in potential of conflicts of interest impacting project development and ultimately rate payers. Utility companies such as National Grid play a vital role in the interconnection of CDG projects. For example, both the interconnection cost amounts and the timing of project interconnection are overseen by the utility company. As a result, projects selected to use National Grid’s Platform 2 services could have interconnection results (amounts and timing) that are different than projects not using those services. This would have detrimental impacts to the industry as a whole.



Thank you for your attention to this matter

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