May 12, 2017

Via Electronic Mail

TO:
Hon. Kathleen H. Burgess
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New York State Public Service Commission
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FROM:
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RE: Response to Draft Agenda for Collaborative Meeting for Phase II of the Value of Distributed Energy Resources Proceeding (Case 15-E-0751)

The Solar Energy Industries Association (SEIA), Vote Solar, the Coalition for Community Solar Access (CCSA), the New York Solar Energy Industries Association (NYSEIA), and the Natural Resources Defense Council (NRDC), together the "Clean Energy Parties," submit this letter in response to Staff's proposed agenda for the Value of Distributed Resources (VDER) Collaborative Meeting scheduled for May 23, 2017.[1] The Clean Energy Parties have been engaged in the VDER proceeding since it began, and look forward to working with Staff further to develop tariffs that drive New York towards its clean energy goals.

The Clean Energy Parties appreciate the opportunity to comment on the draft agenda. The Clean Energy Parties agree that identifying specific issues to be addressed over the next year and a half is a good first step. Additionally, the Clean Energy Parties agree with the proposal to break the collaborative into working groups to efficiently address the various topics.

[1] Case 15-E-0751

Additionally, the Clean Energy Parties urge consideration of the following:

- The work of the collaborative should align with the State's broader clean energy and solar energy policy goals. This means including a mechanism that allows for a smooth market transition and evaluating the work of the collaborative to ensure that the Phase II tariff is financeable, compatible with other New York clean energy initiatives, and will lead to the market growth needed to reach New York's goals. Specifically, the Clean Energy Parties recommend using the Green Bank as a resource to test Phase II tariff concepts for viability as the process moves along.
- The collaborative should not spend a lot of time meeting in a large group. Once the major issues for Phase II have been identified, the collaborative should quickly move into working groups to maximize the working time in Phase II.
- The Clean Energy Parties understand the need to identify issues to be covered in Phase II. However, once these issues have been identified, working groups should be divided by market segment. The Clean Energy Parties believe this will lead to the most efficient process and effective outcome for the collaborative. Each working group can address the issues identified for Phase II as pertains to their market segment. Dividing working groups by market segment will ensure that the specific needs of the various market segments are fully addressed. Specifically, the Clean Energy Parties recommend the following working groups: a) community distributed generation; b) commercial/industrial and remote net metered solar; c) residential and small commercial solar (onsite mass market); d) non-solar DERs; and e) energy storage. After the working groups have an opportunity to consider the issues for their market segments, they can come back together in a broader stakeholder format to discuss their work.
- The working groups should be required to put forward clear meeting schedules and agendas throughout the process to allow for efficient use of party resources. In addition, group work products, technical proposals, and data must be circulated with sufficient time for review.
- The working groups should have access to a third party technical resource to assist with technical questions as they arise. The Clean Energy Parties also strongly encourage Staff not to rely solely on the utilities for data, but instead use a technical resource or ombudsman as a resource to help collect, compile, and review data provided by the utilities. To the extent values or data are derived from utility calculations, utilities should be required to make the underlying values and worksheets available to all parties to ensure transparency and facilitate a fair result.
- Parties should have the opportunity to identify issues that require further fact finding, and either preserve these issues for consideration before a Commission order, or engage in an evidentiary process to address these issues as they arise.

In addition to these recommendations on the overall process, the Clean Energy Parties offer the following reactions on specific topics/issues for initial consideration in Phase II and recommend that clarifications be incorporated into the Final Agenda:

- The Draft Agenda identifies "appropriate valuation of grid access/services provided to DER providers as a topic of priority consideration." This topic should be clarified to also include a valuation of the contributions made to the grid by DER providers through interconnection upgrades.

- The Draft Agenda identifies three Value Stack components – ICAP, Distribution system values, and "E" values – as components ripe for improvements and modifications. The Clean Energy Parties agree these components must be improved and modified. However, the Clean Energy Parties also note that these are not the only areas ripe for improvements and modifications. Additional components, such as social values, resiliency and grid benefits, environmental justice value, and others must be considered. The Final Agenda should not be set in a way that precludes consideration of additional value components.
- The Draft Agenda identifies standardization of data formats used by utilities as a priority topic. The Clean Energy Parties agree, but this topic should not be relegated solely to Phase II. As Staff has recognized throughout this process, it is directly relevant and essential to Phase I implementation. This topic should be prioritized in Phase I implementation to enable improvements as soon as possible with clear milestones along the way.

Sincerely,

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