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Comments 07-E-0437

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June 13, 2007

Jaclyn A. Brillling, Secretary  
Public Service Commission  
Building Three, Empire State Plaza, Albany, New York 12223-1350

Dear Ms. Brillling,

I am writing on behalf of my company, Mercury Solar Systems, Inc., to urge the Public Service Commission to continue its progressive policies towards renewable energy by increasing the net metering limit from 1.2 MW to 3 MW when it reviews Case # PSC-18-07-00011-P "Expansion of the Photovoltaic Net Metering Load for Central Hudson Gas and Electric Corporation," and to make certain that this case is reviewed at the Commission's next meeting.

Expanded renewable energy use is a cornerstone of Governor Spitzer's stated energy policy and is a key economic development strategy for several counties and numerous municipalities in the Central Hudson region. Solar energy use in New York State is increasing the fastest statewide in the Central Hudson region (and on Long Island), and customers are clamoring for more and more solar energy in those regions.

Central Hudson Gas and Electric Corporation recently reached its existing 1.2 MW net metering limit, and multiple solar electric/PV installers in the Central Hudson region are reporting numerous customers who are otherwise ready to purchase and install PV systems but for whom the ability to net meter with their utility is critical. Orders for PV systems are now being cancelled and the market for future orders has virtually "dried up" overnight as a result of Central Hudson informing potential solar electric customers that the utility has reached its net metering limit, and Central Hudson is no longer entering into net metering contracts with their customers.

From both a short- and long-term perspective, this makes no sense and is not in the public interest. New York is a summer peakload state - hot summer days lead not only to peak electricity demand for air conditioning, etc, but also result in the maximum solar incidence in NYS and peak power production by photovoltaics installed in the state. State government and electric utilities should be enabling increased net metering for PV, not turning otherwise willing solar electric customers away.

Currently, more than 100 companies in New York (including our company) manufacture, distribute, sell, or install solar products that generate electricity, heat buildings, and provide hot water. New York solar companies employ from 500 to 1,000 workers and generate \$25-30 million in annual revenue. Nationally, the solar industry is growing at about 30% per year. New York companies, including those in the Hudson Valley region, could experience similar growth if adequate and consistent public policies and regulations are in place.

Expanding Central Hudson's net metering limit to 3 MW is essential to ensuring the public interest is served in the Central Hudson region, and action is needed immediately to address this urgent situation.

With many thanks for your serious consideration of this matter,

J. Jared Haines, President  
**Mercury Solar Systems**  
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