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1 June 2007

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

COMMENTS ON CASE PSC-18-07-00011-P
Expansion of the Photovoltaic Net Metering Limit for Central Hudson
And
REQUEST FOR EXPEDITIOUS RESOLUTION AT JUNE 20TH 2007 COMMISSION
MEETING

Dear Sir/Madam.

My company, Hudson Valley Clean Energy, Inc., designs and installs photovoltaic systems. I started the company in 2002, and today we employ about 22 people and are based in Rhinebeck, Dutchess County, New York. These are good, skilled, well-paying new jobs with a future and with benefits like health insurance, paid vacation, etc.; just what New York State needs.

Central Hudson reached its net metering limit of 1.2 Mw on May 18th, 2007, and sent the attached email to solar installers in its territory. In the email, and subsequent letters to new customers wanting to install photovoltaic systems, they offer interconnection under their SC-14 tariff. This will destroy any financial attractiveness of small residential net metered solar systems. The utility meter will not spin backwards and the customer will not get any benefit or credit for excess energy generated during peak load hours; the excess energy will just go to Central Hudson for free. In the last two weeks, customers have started becoming angry and confused and hesitant to invest in solar systems. A complicated and unfavorable regulatory environment makes for a very weak and uncertain market. My company is now living off its backlog. Many newer solar installers in the region, some of them recent graduates from new training courses at schools like Ulster County BOCES, will simply not survive the summer if the solar market in the environmentally sensitive Hudson Valley dries up.

We need the net metering limit for Central Hudson to be increased immediately to 3.0 Mw. This will have an extremely small affect on Central Hudson, and will cause them and their ratepayers negligible financial impact. Only around 1/20th of 1% of the electricity used in their territory will come from solar even with the increased limit fully implemented.

Legislation to expand net metering is now being considered in the Assembly and Senate Energy Committees, and the Governor and Commission have asked for utility decoupling mechanisms to be introduced in the future. All this is wonderful and welcome, but we can't wait the months or years it may take to get implemented. The solar design and installation industry in the region will collapse in the meantime. We need the net metering limit increased to 3.0 Mw quickly.

Please make every effort to have this case on the agenda of the June 20th, 2007 Commission meeting.

Sincerely,

A handwritten signature in black ink, appearing to read "Jeff Irish", written over a light gray rectangular background.

Jeff Irish, PE
President
Hudson Valley Clean Energy, Inc.

jeff

From: Heather M. Adams [hadams@cenhud.com]
Sent: Wednesday, May 23, 2007 1:31 PM
To: Heather M. Adams
Subject: Re: Central Hudson Solar Net Metering Program

Please note that the dates below are corrected and should read May 18.

Regards,
Heather Adams

----- Original Message -----

From: Heather M. Adams
To: Heather M. Adams
Sent: Wednesday, May 23, 2007 11:58 AM
Subject: Central Hudson Solar Net Metering Program

Dear Solar Installers:

As you are aware, we have been quickly approaching the new 1200kW solar net metering limit. On May 18, 2007, we surpassed this extended limit.

Central Hudson is a long time supporter of renewable energy generation in our service territory. While the current solar net metering program is ending, Central Hudson will be supportive of a new program that allows us to mitigate financial losses and better quantify the benefits of the program going forward.

We still welcome the interconnection of systems under the Standby Service tariff (SC-14). In addition, small residential and commercial systems installed before June 1, 2009, will qualify for exemption from standby charges through Special Provision 14.5, and will therefore be billed at the rates under the regular parent service classification.

All installations will be placed in a queue based on the date of receipt of a completed application. As net metering slots open up, the installations that meet the current net metering criteria will become a part of the net metering program on a first come, first serve basis. If you have completed and received preliminary approval from Central Hudson for projects that are no longer being pursued, we encourage you to notify us to remove them from the queue to free up net metering space for other customers.

If the net metering program is extended at any point in the future, the projects for which applications were received after May 18, 2007, that meet the newly established net metering criteria, will have the opportunity to become a part of the program and be subject to the requirements of it.

Please contact me if you have any questions or I can be of assistance.

Regards,

Heather M. Adams
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