



VOTE SOLAR

**STATE OF NEW YORK
PUBLIC SERVICE COMMISSION**

**CASE 14-M-0101 – PROCEEDING ON MOTION OF THE COMMISSION IN
REGARD TO REFORMING THE ENERGY VISION**

**REPLY COMMENTS OF THE VOTE SOLAR INITIATIVE
ON THE STAFF STRAW PROPOSAL ON TRACK ONE ISSUES**

I. INTRODUCTION

The Vote Solar Initiative (“Vote Solar”) appreciates the opportunity to submit these comments in response to initial comments filed by parties in this proceeding on *Developing The REV Market in New York: DPS Staff Straw Proposal On Track One Issues* (“Straw Proposal”). Vote Solar previously submitted comments in this proceeding on the Department of Public Service Staff’s original *Reforming the Energy Vision Staff Report and Proposal* as well as the Straw Proposal.

Vote Solar’s Reply Comments are focused on the same issues discussed in our initial Straw Proposal comments and will build on these comments by drawing upon the initial comments of other parties. Specifically, we again focus on 1) development of the Benefit Cost Analysis (“BCA”) framework, and 2) orientation of the REV and Clean Energy Fund (“CEF”) to establish the opportunity for all ratepayers to directly invest in and benefit from solar generation.

II. DEVELOPMENT OF THE BCA FRAMEWORK

A. Prioritize stakeholder process with firm schedule and scope

Many parties commented upon the importance of the BCA framework as an underpinning of the both the REV proceeding and ultimate implementation of the Distribution System Platforms and markets for DER. We posit that there is near unanimity to prioritize development of the BCA framework and to establish a stakeholder process for this purpose immediately. We specifically note the Reply Comments of the Pace Energy and Climate Center and their acknowledgement that this prioritization is one of the primary areas of agreement amongst a newly formed group of aligned stakeholders referred to as the Clean Energy Organizations Collaborative (“CEOC”).

While beginning this stakeholder process immediately will be critical, we believe it is equally important to establish clear expectations and a schedule for this process. We urge the Commission to direct the Secretary, ALJs and Staff to develop a firm schedule and scope of work for development of the BCA framework and to inform parties of these parameters as soon as possible.

B. Include foundational resources for developing initial straw proposal

As we voiced in our initial comments, we recognize the value offered by beginning this process with an initial straw proposal. We maintain that the Commission ensures such a proposal is developed by an un-biased and neutral third-party with requisite experience. In this regard, we strongly recommend the Commission and Staff to closely consider the recently completed study, commissioned by the Advanced Energy Economy Institute, entitled *Benefit Cost Analysis for Distributed Energy Resources*, authored by Synapse Energy Economics, Inc.¹ While we reserve the right to critique the specifics details of this study, we are confident that this study can serve as a foundational resource for developing the BCA framework and we suggest that the Commission consider formally adopting this study into the BCA stakeholder process.

We believe that the Synapse study covers the necessary breadth of this topic in a balanced fashion and would be especially useful for stakeholders in specifying what benefits and costs to include, methodologies used to value those benefits and costs, input assumptions to be used and application of the framework. At the same time we maintain the recommendation from our initial comments suggesting consideration of *A Regulator's Guidebook: Calculating the Benefits and Costs of Distributed Solar Generation*, which can compliment the Synapse study and ensure a sound approach for assessing the benefits and costs of one particular type of DER.²

C. Vote Solar awaits the stakeholder process for further deliberation of the particular aspects of the BCA

We finally note that many parties, including Vote Solar, took the opportunity in the initial round of comments on the Straw Proposal to comment upon the inclusion or exclusion of particular benefits and costs as well as the different approaches and methodologies utilized for valuation. Considering the diversity of opinions on these matters, rather than replying directly to other commenters, we will reserve the right to do so during the BCA stakeholder process. The diversity of opinions again speaks to the need to prioritize

¹ *Benefit Cost Analysis for Distributed Energy Resources*, Synapse Energy Economics, Inc., September

² *A Regulator's Guidebook: Calculating the Benefits and Cost of Distributed Solar Generation*, Jason B. Keyes & Karl R. Rabago, October 2013. Available for download at http://www.irecusa.org/wp-content/uploads/2013/10/IREC_Rabago_Regulators-Guidebook-to-Assessing-Benefits-and-Costs-of-DSG.pdf.

development of the BCA in further reflecting and building upon that which is included in the Straw Proposal.

III. BROADENING ACCESS TO DER

Consistent with the Straw Proposal, another fundamental aspect of the REV is to explore opportunities to broaden access to DER to more New Yorkers. As we highlighted in our initial comments on the Straw Proposal, there are a variety of reasons that inhibit a large majority of electric customers from the opportunity to invest in on-site renewable energy to meet their energy needs despite market demand to do so. In conjunction with the parallel Clean Energy Fund (“CEF”) proceeding, we maintain that the concept of shared solar, as described in detail in our initial comments, should be incorporated for consideration in the REV process as a tool for expanding access to solar and other renewables in New York. We take this opportunity to highlight the comments of other parties in support of considering how to effectuate shared solar arrangements in New York through the REV and CEF proceedings. In their initial comments on the Straw Proposal, the Solar Energy Industries Association (“SEIA”) at Page 6, Citizens for Local Power at Page 11, Energy Efficiency for All at Page 8, and Interstate Renewable Energy Council (“IREC”) at Page 18, support our position that shared solar (aka community solar) warrants particular consideration in this proceeding.

We also note the significant attention given in initial comments with respect to the unique characteristics and challenges of low to moderate income electric customers. We believe concerted attention in both the REV and CEF proceedings regarding programs, tariffs and other tools, inclusive of shared solar, will greatly assist in developing solutions that will broaden access to solar and other DER for these customer classes.

IV. CONCLUSION

Vote Solar appreciates the opportunity to submit Reply Comments on the Straw Proposal and eagerly awaits next steps in Track One of the REV. We are always available to answer any questions that you may have.

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