

April 20, 2015

VIA EMAIL

Hon. Kathleen H. Burgess
Secretary
New York State Public Service Commission
Agency Building 3
Albany, NY 12223-1350

**RE: CASE 15-E-0082, Reply Comments of the Shared Renewables Coalition on the Staff
Straw Proposal for a Community Net Metering Program**

Dear Secretary Burgess,

On behalf of the New York Shared Renewables Coalition, please find attached, the reply
comments of the Coalition on the Staff Straw Proposal for a Community Net Metering Program.
Thank you for your attention to this matter.

Sincerely,

Sean Garren
Northeast Regional Manager
Vote Solar
sean@votesolar.org
(301) 541-8675

STATE OF NEW YORK
PUBLIC SERVICE COMMISSION

CASE 15-E-0082 Proceeding on Motion of the Commission as to
the Policies, Requirements and Conditions For
Implementing a Community Net Metering Program

**REPLY COMMENTS OF THE SHARED RENEWABLES COALITION ON THE STAFF
STRAW PROPOSAL FOR A COMMUNITY NET METERING PROGRAM**

On March 30, 2015, the New York Public Service Commission (“Commission”) issued a notice in this proceeding extending the comment period to April 7, 2015 for initial comments on the Staff Straw Proposal for a Community Net Metering program (“Staff Proposal”). After receiving initial comments from parties, the Commission issued a subsequent notice on April 9, 2015 extending the reply comment period until April 20, 2015, thus maintaining the approximately two week time frame originally established for submitting reply comments in order to promote the fair, orderly and efficient conduct of this proceeding.

The New York Shared Renewables Coalition (“Coalition”) appreciates the opportunity to submit reply comments on this very important issue and further appreciates the Commission’s extension of the reply comment period. In these reply comments, the Coalition will reiterate the need to adopt this program without delay while the Commission and other stakeholders continue their engagement and deliberation in other proceedings, such as the Reforming the Energy Vision (“REV”), Clean Energy Fund (“CEF”) and others. In these reply comments, the Coalition will also respond directly to other commenters with respect to their perspectives on the critical program design elements that we discussed in our initial comments.

**I. WIDESPREAD SUPPORT FOR IMMEDIATE ADOPTION OF A COMMUNITY
NET METERING PROGRAM**

The initial comments submitted in this proceeding are unanimous in their support for the need to expand access to renewable energy opportunities for electric consumers in New York. The vast majority of these comments demonstrate unequivocal support for the important foundations of an effective community net metering program that are detailed in the Staff Proposal. In addition, we note the roughly one thousand public comments submitted into the record in strong support of the Commission’s intent to establish a community net metering program. Based upon party comments and this public record, it is clear that there is widespread support for the Commission to adopt a community net metering program without delay to address the immediate and very real need to increase access to renewable energy for more New Yorkers.

**II. THE COMMISSION SHOULD NOT DELAY IN APPROVING THE STAFF
STRAW PROPOSAL**

Along with a diverse range of stakeholders and other decision-makers, the Commission is undertaking a very ambitious initiative through REV to reform the way that electricity is generated, distributed and consumed in New York. The REV is already demonstrating some positive progress at a foundational level and the Coalition looks forward to working with the Commission and other stakeholders as this proceeding and implementation activities continue. In many respects, community net metering, also called community shared renewables, is consistent with the principles and objectives of the Commission’s Track 1 Order in REV. Specifically, enabling new market opportunities to better integrate renewable energy technologies into the electricity system while also providing increased opportunity for electric consumers to take greater control over their energy decisions are fundamental to the vision and intent of REV. These

principles are also central to rationale behind the adoption of a community net metering program. Enabling community net metering is thus compatible with and will help to effectuate REV.

However, the Commission is right to push forward with the adoption of community net metering even as the REV continues its evolution and implementation over the coming years. As we discussed on our initial comments, community shared renewable energy programs are already in place in at least 10 states.¹ We believe that the Commission's intent to adopt a community net metering program is squarely in the public interest as it is a proven tool that can achieve several of the REV objectives and is also a framework conducive to the state's existing and evolving electric paradigm.

The Coalition firmly disagrees with the Joint Utilities' rationale as to why community net metering should be limited to an interim measure if adopted as described in the Staff Proposal. In their initial comments, the Joint Utilities argue that this program should be limited, because it would extend the cross-subsidization they posit is inherent in the net metering construct. Without a transparent, data driven process to better understand the benefits and costs of net metering in New York, the Coalition views the Joint Utilities claim as a presupposition and would urge the Commission to do the same. We understand that the Commission and NYSERDA are already investigating this issue and will also do so as part of the REV Track Two proceeding. We are eager for the opportunity to participate in the process to better understand and accurately assess the benefits and costs of net metering and these community arrangements within both the regulatory and public policy contexts. We reiterate that these deliberations should not stand in the way of broadening access to renewable energy today.

The Coalition also acknowledges that, as proposed, existing net metering program caps would already limit the community net metering program. As we inferred in our initial comments, in order to ensure effective market uptake of community net metering arrangements it will be critical to provide greater certainty around net metering in general as net metering is further taken up as part of the REV.

We are particularly troubled by many of the comments of the Joint Utilities with respect to how aspects of the REV, which are still unfolding, should prematurely dictate arrangements to expand access to renewable energy and should be looked at instead of the Staff Proposal. While we agree that REV Track Two will and should provide greater granularity into the pricing of distributed energy resources, Joint Utilities' claim that the aim of Track Two along with assessment of net metering is to address an inappropriately subsidized construct is completely unfounded. Until conducting a thorough, transparent and data-driven process as part of REV Track Two and net metering analyses, Joint Utilities' accusation that community net metering, as proposed in the Staff Proposal, is a subsidy model with inherent cost-shifting is without merit.

Accordingly, until such matters receive further investigation with equal consideration of both benefits and costs and unique characteristics of community net metering hosts and members, the Coalition believes it would be inappropriate to permit utilities to impose specific charges on customers in these arrangements. We believe that the Staff Proposal has thoughtfully considered the approach to develop community net metering upon the net metering construct. To achieve the very important public policy objective of expanding access to renewable energy immediately, the Commission should approve the proposal without further modification to net metering foundations other than those envisioned in the proposal and as the Coalition has suggested in its initial comments on this matter.

¹ Shared Renewables HQ, www.sharedrenewables.org

We strongly oppose the Joint Utilities suggestion to instead wait and address broadening access to renewable energy as part of REV implementation. While we do recognize that it is possible that the REV discussions result in an alternate proposal for how to accomplish the intent of community net metering, and will evaluate the viability of any such proposal if and when it is presented, it would not be in the public interest to leave a tool on the table today that has already been proven in other jurisdictions to expand access to renewable energy. With New York's promising and very active market for solar and other forms of customer-sited renewables, it would be doing electric consumers a disservice to ask that they wait any longer for viable opportunities to tap into renewable energy resources to meet their energy needs. Community net metering can serve this market gap today. The Coalition is in full support of the Commission's intent to adopt this program without delay in order to serve a greater number of New York's electric consumers.

III. ON-BILL CREDITING THROUGH EXISTING CUSTOMER UTILITY BILLS IS IMPERATIVE FOR A SUCCESSFUL PROGRAM

In order for community net metering to expand access to clean energy to more New Yorkers, it is critical that participants receive tangible economic benefits directly on their utility bills. This will maintain the essential linkage in a clear and understandable way between a customer's participation, their reduced energy use and bill savings through these clean energy options. As the Commission has affirmed in their REV Track One Order, the utility bill will serve as an important tool for customer engagement in distributed energy resources moving forward with REV.²

The Joint Utilities' suggestion that the on-bill crediting component of this program be optional will simply not result in an effective program. If a utility does not facilitate the distribution of net metering credits onto the bills of community net metering members, this program would lack a fundamental ingredient that has been so critical to successful shared renewable energy programs and projects around the country. We urge the Commission to adopt on-bill crediting through existing customer utility bills as a core component of this program in order that it can have the broadest impact for serving various types of electric consumers and their desires to tap clean energy resources for their energy needs.

IV. CONCLUSION

The Shared Renewables Coalition is sincerely grateful for the opportunity to provide input as the Commission moves forward with a community net metering program. As New York State considers challenging questions about the future of our energy system, we are very encouraged that the Commission has prioritized equal access to renewable energy as a critical component to address without delay. We believe that a community net metering program, as proposed in the Staff Proposal, represents an urgently needed step in that direction. We appreciate the leadership of the Commission, DPS, NYSERDA and the Administration on this very important issue, and we look forward to continued engagement with other stakeholders during this comment period and beyond.

² Case 14-M-0101, *Order Adopting Regulatory Policy Framework and Implementation Plan*, February 26, 2015, at page 55.