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Jaclyn A. Brilling
Secretary, State of New York Public Service Commission
Three Empire State Place
Albany, New York 12223-1350

Case # 06-E-0761 Proceeding On Motion of the Commission To Consider Net Metering Standard Pursuant to the Amended Public Utility Regulatory Policies Act

Case # 06-E- 0868 Proceeding On Motion of the Commission To Consider Time Based Metering and Communications Standards Pursuant to the Amended Public Utility Regulatory Policies Act

Dear Secretary Brilling:

Solar One submits the following comments to the Public Service Commission Order Instituting Proceedings and Notice Soliciting Comments for Case #'s 06-E-0761 and 06-E-0868.

Solar One is a 501 (c) 3 not-for-profit organization that aims to increase energy awareness and promote sound energy policy for the benefit of New York City's present and future quality of life. Our small organization operates out of a 500 square foot green building that is, in part, powered by a 3.5 kW solar PV system. Our building is open to the public, and serves as a demonstration site for sustainable construction. Under current law, Solar One is not permitted to net meter.

NYSERDA has invested heavily in Solar One in the past few years. They have provided funding support for our educational programs and for Solar One itself. Solar One is a prototype building for a larger environmental learning center that will replace it and aims to be a net-zero energy use Platinum LEED certified building. With a proposed 85 kW array on the roof, Solar 2 hopes to be able to connect to the grid. Current regulations will impede our ability to do so, and in the process eliminate the opportunity to offer New Yorkers a concrete example of net-zero energy use. For the reasons explained below, we urge the PSC to adopt the PURPA net metering standard, permit commercial/industrial customers and, in particular, not-for-profit organizations like Solar One to net meter, and that the PSC exercise strong leadership and oversight to insure that grid interconnections are made easily available to customers who desire them.

In parallel with the national experience, New York State finds itself at an energy crossroads. Grave concerns about costs, reliability, human health and environmental consequences on local, regional and global scales have become increasingly prominent in public discourse. The future of New York's electricity system is very much at the center

of these concerns, and all New Yorkers have an interest in identifying policies that will promote outcomes that increase prosperity, safety and health.

Pursuant of these goals, we urge the Public Service Commission (PSC) to implement the EPAct (2005)/ PURPA net-metering standard which would expand the scope of current net metering law to include non-residential customers and the non-profit sector. Equally, we support an increase in the current allowed capacity (kW) for net-metered generating systems above current levels. We also urge the PSC to be more proactive in insuring that the application and assessment process established by local utilities for grid interconnection for consumer-generator systems be made as expedient and convenient as possible for system owners.[1]

In the past decade the State of New York has taken extensive regulatory and policy action to transform electricity markets, increase reliability, boost statewide efficiency and foster a greater role for clean energy technologies. To be sure, the leadership of the PSC and NYSERDA has been largely responsible for success on each of these fronts.

In 1997, New York State enacted a law allowing for the establishment of net-metering arrangements between private consumer-generators of clean electricity sources and utilities operating within the state. Since that time, the state has on two occasions expanded the number of technologies eligible for net metering, thus providing further impetus for clean energy development.

Experts and policy makers are in agreement that net metering is key to bolstering the share of clean, distributed electricity coming on line each year. However, the impact of net metering as a policy option differs greatly across the more than 40 states that have adopted it, to date. This is largely a function of the varying structure of consumer-generator type eligibility and the system size (kW) limitations that are imposed by the different laws.

Unfortunately, in this register, New York State cannot be identified as a national leader given the limited scope of current state net metering laws. We urge the Public Service Commission to: 1) expand net-metering to non-residential electricity customers in the commercial, industrial, and educational/non-profit sectors; 2) raise the capacity ceiling for all eligible renewable energy technologies from existing levels to a uniform 2 MW as is the case currently in New Jersey; and, 3) oversee utility protocols to better insure availability of grid interconnections when requested. Not doing so, we are convinced, would continue to impose serious obstacles for new investment in new renewable energy capacity statewide.

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[1] Anecdotal evidence in the New York City area suggests that the current process of seeking interconnection through the local utility can involve considerable time and complications that, in the end, may amount to a further disincentive for investment.

The adverse effects of current net-metering limitations are particularly acute in the New York City area. The city enjoys considerable potential for clean, distributed generation development. It also faces special challenges in regard to transmission limitations, peak load management, air quality conditions, and climate change vulnerability that contribute to the desirability of its further development. While the city, state and local utility have made considerable strides in recent years in the areas of conservation and efficiency in New York City, on-site renewable energy development has been severely limited by the law's exclusion of non-residential consumer-generators and a the low ceiling placed on system size.

By extending net metering to other sectors, and by increasing the allowed capacity, interest in investment will expand significantly. While some technical issues concerning the nature of the local network distribution system that do exist, we are convinced that the investments to overcome these obstacles will only be made if demand is substantially elevated.

Thank you for your consideration.

Sincerely,

Christopher J. Collins
Executive Director