



Carol E. Murphy
Executive Director

July 26, 2012

Jaclyn Brilling, Secretary
Public Service Commission
Three Empire State Plaza
Albany, NY 12223-1350

RE: Case 08-E-1305

Dear Secretary Brilling,

The Alliance for Clean Energy New York (ACE NY) is a unique blend of energy industry and environmental interests working together to promote clean energy, energy efficiency, a healthy environment and a strong economy for New York State. Our diverse membership includes renewable energy and energy efficiency companies, environmental and economic development organizations, academic institutions, and consultants to the energy sector. ACE NY supports net metering for clean, on site power generation using renewable resources. We have worked on both legislation and Commission proceedings on net metering for many years.

We are submitting these brief comments in strong support of the petition filed by Hudson Valley Clean Energy, which requests that the Commission act expeditiously to order Central Hudson to raise the cap on the amount of net metered systems allowed to interconnect to its electric grid. We also request that the Commission act to ensure continuity for customers and installers in *every* utility territory and to prevent the halting of interconnections in the future through periodic reviews and increases in utility caps on net metered systems. This is especially important given the State's recent adoption of a program (NY-Sun) to increase the amount of solar energy systems installed in New York through 2016.

Net metering is a simple, easily administered method of encouraging customer investment in renewable energy technologies. Without net metering, the financial attractiveness of investing in on-site clean power generation is severely reduced. In addition, without net metering, owners of these systems would at times be providing power for free to their utility, who would in turn sell it to others at retail rates. The utility would be increasing its profits at the expense of the consumers with on-site systems. Each of the PSC-regulated utilities has a cap on net metered systems set by statute with the caveat that they may exceed the cap at any time at their discretion and, in addition, that the Commission can raise the cap if it finds doing so is in the public interest.

194 Washington Avenue
Suite 605, Albany, NY 12210
Ph. 518.432.1405
Fx. 518.432.1407
www.aceny.org



Central Hudson recently notified renewable energy system installers and customers in its service territory that it would no longer provide net metering since it has reached its cap of 12 MW. An immediate cessation of net metering will (and in fact, may already) have an immediate impact on customer's willingness to install a system and, as a consequence, on the installers. Many solar installers are small, local businesses that cannot survive without a continuous stream of projects. A disruption of several months may very well drive some of them out of business. We see no reason for Central Hudson to immediately cease providing net metering when it is within their discretion to continue it; we believe they should do so until the Commission acts on this issue.

Increased use of on-site renewable power is in keeping with State energy policy as evidenced by NYSERDA programs in support of the customer-sited tier of the Renewable Portfolio Standard (RPS), and more recently by the adoption of the NY-Sun program. Public Service Law authorizes the Commission to increase the ceiling on the total megawatts eligible for net metering from cumulative installations if the Commission determines that additional net metering is in the public interest. The installation of photovoltaic and on-site wind systems is contributing to the generation of electricity from clean, renewable, distributed sources. Net metering assists customers by providing stable-priced clean power, supports economic development by supporting local businesses, and reduces stress on the grid at times of peak demand without contributing to the erosion of air quality. This is clearly in the public interest.

ACE NY urges the Commission to act expeditiously to ensure continued availability of net metering within Central Hudson's territory. In addition, net metering caps for each utility should be raised significantly enough to cover the expected installations under the NY-Sun program. Continued increases in the use of clean power generation benefits the public at large, helps consumers lower their electric bills and merits PSC and utility support.

Respectfully submitted,

Carol E. Murphy
Executive Director

cc: Robert Hallman, Governor's Office
Thomas Congdon, Governor's Office
Garry Brown, Chairman, PSC
Maureen Harris, PSC
James Larocca, PSC
Patricia Acampora, PSC
Gregg Sayre, PSC