For Immediate Release: 12/12/2019

John B. Rhodes, Chair

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NEW YORK — The Public Service Commission today acted to further promote the growth of renewable energy sources in New York by adopting a measure to consolidate the utility bills of Community Distributed Generation (CDG) customers. Consolidated billing will lower consumer costs of CDG, improve the overall customer experience and reduce CDG sponsor costs. Moreover, the consolidated billing approach approved today will reduce market barriers which have impeded development of CDG in many circumstances. Facilitating the ease of enrollment and payment will further encourage solar and other clean energy developers to focus on New York.

“We need all smart cost-effective clean energy resources in order to deliver on Governor Cuomo’s objective of 70 percent clean and renewable energy in New York by 2030, including distributed clean energy,” said Commission Chair John B. Rhodes. “Today’s decision takes the next step in accelerating this by meaningfully lowering the cost of community distributed generation so as to benefit New York’s customers.”

CDG systems, such as community solar, offer customers that prefer not to install solar directly on their property, or who face economic or geographic barriers to doing so, the opportunity to lower their electric bills using clean renewable energy. Consolidated billing represents an important opportunity to simplify the subscription process while reducing soft costs associated with CDG. It is also more convenient for CDG customers as they will no longer have to receive two separate monthly bills- one from their utility company and a separate one from the solar developer.

Currently, while the credits for renewable energy appear directly on the CDG subscribers’ utility bills, the CDG sponsor must also send the customer a separate bill for the subscription charge and have systems in place to collect that charge. Under consolidated billing, the subscription charges will be automatically deducted from the renewable energy credits by the utility and sent to the CDG sponsor, based on a percentage set by the CDG sponsor. As this percentage must be below 95 percent, CDG
members participating in consolidated billing will receive a guaranteed bill reduction, and therefore guaranteed monthly savings, of at least five percent. The adoption of consolidated billing will also enable consumers to see the benefits of their subscription all in one place. Consolidated billing will support the completion and cost-effective operation of the 1.1 GW ac (1,134 MW ac) of community solar currently in development and the development of new CDG as the state targets the NY-Sun 6 GW distributed solar goal.

This straightforward billing, crediting, and savings model will make customer acquisition easier and will lead to increased enrollment of low-income customers and customers with credit score limitations, as CDG Sponsors will no longer face the risk of nonpayment. It also has the potential to substantially reduce project financing costs due to the more guaranteed payment stream.

In addition to making a decision on overall consolidated billing, the Commission today rejected National Grid’s proposal to do customer acquisition and compete for customers, a proposal that was sharply criticized by solar developers. In addition, the Commission reduced National Grid’s proposed fee for consolidated billing by 90 percent and allowed the upstate utility a fee of 1 percent, the same as everyone else.

Finally, multiple municipalities have expressed support for consolidated billing for CDG and have indicated that it would pave the way for widespread adoption of community solar and scaled-up local renewable energy production. Through Community Choice Aggregation (CCA) participating local governments can procure energy supply service and distributed energy resources for customers in the community. Local governments are well positioned to aggregate customers maximizing the benefits of renewable distributed energy resources. CCA customers have the opportunity to opt out of the procurement, while maintaining transmission and distribution service from their existing utility.

Today’s decisions may be obtained by going to the Commission Documents section of the Commission’s Web site at www.dps.ny.gov and entering Case Numbers 19-M-0463 (In the Matter of Consolidated Billing for Distributed Energy Resources) in the input box labeled "Search for Case/Matter Number." Many libraries offer free Internet access.

Commission documents may also be obtained from the Commission’s Files Office, 14th floor, Three Empire State Plaza, Albany, NY 12223 (518-474-2500). If you have difficulty understanding English, please call us at 1-800-342-3377 for free language assistance services regarding this press release.

New York State’s Green New Deal

Governor Andrew M. Cuomo’s Green New Deal is the most ambitious climate change program in the nation and puts the State on a path to being entirely carbon-neutral across all sectors of the economy, including power generation, transportation, buildings, industry and agriculture. The Governor’s program also establishes a goal to achieve a zero-carbon emissions electricity sector by 2040, faster than any state in the nation. The recently passed Climate Leadership and Community Protection Act mandates several of the Governor’s ambitious Green New Deal clean energy targets: installing six gigawatts of distributed solar by 2025, three gigawatts of energy storage by 2030, and at least nine gigawatts of offshore wind by 2035. The CLCPA also calls for an orderly and just transition to clean energy, creating jobs while spurring a green economy. It builds on New York's unprecedented ramp-up of clean energy including a $2.9 billion investment in 46 large-scale renewable projects across the state, the creation of more than 150,000 jobs in New York's clean energy sector and 1,700% growth in the distributed solar sector since 2012. The CLCPA also directs New York State's agencies and authorities to work collaboratively with stakeholders to develop a plan to reduce greenhouse gas emissions by 85% from 1990 levels by 2050, and to work toward a goal for disadvantage communities to receive 40% of the overall benefits of spending on clean energy and energy efficiency programs, projects or investments.
Reforming the Energy Vision

The CLCPA builds on Governor Cuomo's landmark Reforming the Energy Vision strategy to lead on climate change and grow New York's economy. REV is building a cleaner, more resilient and affordable energy system for all New Yorkers by stimulating investment in clean technologies like solar, wind, and energy efficiency. Already, REV has driven growth of nearly 1,700 percent in the statewide solar market, leveraged nearly $3.4 billion in private investments, improved energy affordability for 1.65 million low-income customers, and led to more than 150,000 jobs in manufacturing, engineering, and other clean tech sectors across New York State.

To learn more about REV, visit rev.ny.gov, follow us on Twitter, Facebook, and LinkedIn.

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