

STATE OF NEW YORK

Public Service Commission

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RENEWABLE ENERGY PROJECTS A SUCCESS IN NEW YORK — Customer-Sited Installations Exceed Expectations, Policy Changes Being Considered —

Albany, NY—1/15/09—The New York State Public Service Commission (Commission) today received a report from Department of Public Service Staff indicating that consumers and businesses in New York are eagerly installing self-generation devices such as solar photovoltaic systems, fuel cells, anaerobic digestion biogas systems, and small wind turbines as a way to reduce consumption of fossil fuels and lower monthly utility bills.

“We are very pleased to see the strong demand that exists regarding the installation of renewable energy devices in homes and businesses,” said Commission Chairman Garry Brown. “Incorporation of renewable energy devices in homes and small commercial business will lower the level of harmful greenhouse gases and wean us away from costly fossil fuels. As we move forward with our aggressive renewable energy plans, consumer acceptance of renewable energy will remain critically important. We hope that acceptance of renewable energy and the desire to install such devices continues to grow.”

In the near future, Staff will be providing the Commission with updated costs, analyses and recommendations on whether modifications to the RPS program and its goals are warranted. These analyses are being done concurrently with a comprehensive evaluation of the overall RPS program, including consideration whether to increase the RPS goal to 30 percent by 2015, as proposed by Governor Paterson. The evaluation is scheduled to be completed in the first quarter of 2009.

The customer-sited tier portion of New York's Renewable Portfolio Standard (RPS) currently provides support for solar photovoltaic systems, fuel cells, anaerobic digestion biogas systems, and small wind turbines. At the October Session, the Commission reallocated and increased funding for specific programs within the customer-sited tier totaling \$47 million in response to changing market needs for specific eligible renewable energy technologies, more than doubling the funding.

When the RPS was approved in 2004, the initiative called for 100,679 MWhs to be produced by customer-sited self-generation equipment by 2009. It expected that 112,543 MWh will be self-generated by the end of 2009, up nearly 12 percent from initial projections. The expected customer-sited electricity generated at year's end would be enough to supply nearly 14,500 average houses per year.

Renewable energy projects received a substantial boost at the beginning of the year as a result of a new state law that expanded the number of customers eligible to sell back excess power they generate from those alternative sources to their local utility in a practice known as net metering. The new state law added commercial photovoltaic and windmill power customers to the list of those eligible for net metering. They can have a system that generates up to lesser of their peak load or 2 MW at peak performance. The law also raises the limits to 25 KW from 10 KW for residential photovoltaic customers' systems, to 500 KW from 400 KW for farm waste systems, and to 500 KW from 125 KW for residential farm windmill systems. The limit for residential windmill systems stays unchanged at 25 KW.

Information on the RPS proceeding can be obtained from the Commission's www.dps.state.ny.us Web site by accessing the Commission's File Room section of the homepage and referencing Case 03-E-0188. Many libraries offer free Internet access. Commission orders may also be obtained from the Commission's Files Office, 14th floor, Three Empire State Plaza, Albany, NY 12223 (518-474-2500).