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John B. Rhodes, Chair

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PSC Expands Size of Projects Eligible to Participate in Clean Energy Program — Increase from 2 MW to 5 MW Means More Projects Can Be Built at Lower Cost —

ALBANY — The New York State Public Service Commission (Commission) today announced it would now allow even larger projects to participate in the state’s fast-growing clean-energy program, which will allow more renewable energy projects to be built while driving down overall costs for consumers.

“Expanding access to cost-effective, clean energy is a primary goal of New York’s Clean Energy Standard, which will create enough renewable energy to meet half of the state’s electricity needs by 2030,” **said Commission Chair John B. Rhodes**. “Our decision to expand the size of the projects eligible for compensation will further reduce costs and spur the development of solar power, energy storage and other localized forms of electric generation.”

In its decision, the Commission increased the maximum rated capacity for projects from 2 MW to 5 MW, a move supported by several key stakeholders, including the Coalition for Community Solar Access, the Alliance for Clean Energy New York, the Natural Resources Defense Fund, Pace Energy and Climate Center, New York Solar Energy Industries Association, Solar Energy Industries Association, and Vote Solar.

The Value of Distributed Energy Resources (VDER) compensation system was created to move beyond net energy metering, which has served as an instrumental component of the emergence of renewable and distributed energy systems over the past decade. Uniquely, the VDER mechanism will be more accurate in determining the values that these systems bring to the grid and society, including, for the first time, locational and environmental benefits.

The Commission noted community-distributed generation (CDG) projects will benefit substantially from economies of scale and therefore allowing projects larger than 2 MW to participate in the tariff could significantly lower costs.

The size increase will apply to all project and technology types currently eligible for compensation except Combined Heat and Power (CHP). Because only residential CHP with a rated capacity of 10 kW or below is currently eligible for VDER-based compensation, as was the case under net metering, expansion of eligibility of larger CHP units is being separately considered.

In some areas, it may be impractical or even impossible to sufficiently upgrade the distribution system to handle one or multiple 5 MW projects. The Commission notes that existing interconnection rules

require technical impact review for such projects and payment for any necessary system upgrades by the applicant, such that the integration of larger projects on the distribution system will not create reliability impacts or costs for utilities or nonparticipating ratepayers.

Reforming the Energy Vision

Reforming the Energy Vision is Governor Andrew M. Cuomo's 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 and requiring 50 percent of the state's electricity needs from renewable energy by 2030. Already, REV has driven growth of more than 1,000 percent in the statewide solar market, improved energy affordability for 1.65 million low-income customers, and created thousands of jobs in manufacturing, engineering, and other clean tech sectors. REV is ensuring New York reduces statewide greenhouse gas emissions 40 percent by 2030 and achieves the internationally recognized target of reducing emissions 80 percent by 2050. To learn more about REV, including the Governor's \$5 billion investment in clean energy technology and innovation, visit rev.ny.gov, follow us on [Twitter](#), [Facebook](#), and [LinkedIn](#).

Today's decision may be obtained by going to the Commission Documents section of the Commission's Web site at www.dps.ny.gov and entering Case Number 15-E-0751 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.