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Audrey Zibelman, Chair

Contact:

Jon Sorensen | Jon.Sorensen@dps.ny.gov | (518) 474-7080

<http://www.dps.ny.gov> <http://twitter.com/NYS DPS>

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PSC Speeds Modernization of Energy Grid Through Collaboration Between Utilities and Third Party Innovators

**– Utilities Required to Share Data and Partner with Clean Tech Companies
as New York Moves Closer to the Clean, Distributed Energy Goals of REV –**

ALBANY — In the next iteration of major energy regulation reforms in New York under Reforming the Energy Vision (REV), utilities must now partner and share data with private technology and energy companies to spur the development of new, clean, and affordable energy solutions throughout the State, under an order approved today by the New York State Public Service Commission.

“Today marks the beginning of a new era for electric utilities in New York,” said Commission Chair Audrey Zibelman. “The goal is to harness innovative ideas to plan and operate a modern grid that captures the full potential of clean, distributed-energy resources to strengthen the energy system and lower costs for customers. By bringing outside parties to the table, we create an environment for new technology solutions with greater consumer choice, helping us meet our clean energy and emissions reduction goals under REV – Reforming the Energy Vision – Governor Cuomo’s strategy to grow our clean-tech economy and make New York a national leader in reducing greenhouse gas emissions.”

Under today’s order, utilities must identify sites where third parties can develop cleaner, more affordable energy solutions in place of traditional and more-costly infrastructure. The Commission’s order also requires utilities to share data, load-planning forecasts and other information with third-party energy providers to enable greater innovation and speed the development of distributed energy resources, such as wind, solar and battery storage, and other cost-saving technologies for home-owners and businesses.

“Under the new model, not only will utility infrastructure be downsized in favor of smaller and cleaner power generation, but so will utilities and third party partners help residential and business customers take advantage of cost-cutting tools of the digital age such as smart thermostats and demand management systems,” Zibelman said.

While initial plans must be submitted by June 30, New York utilities have already started to implement less-costly ways to meet their customers’ energy demands. In Brooklyn, Consolidated Edison deferred the construction of a \$1 billion substation in Brooklyn, with a project known as Brooklyn Queens Demand Management, or “BQDM” and, instead, will meet

rising energy demand by partnering with third parties to help customers reduce energy consumption and lower their utility bills.

Likewise, Orange & Rockland is partnering with technology companies to deploy battery-storage and other clean solutions to relieve peak electricity demands and delay projects that would cost more than \$55 million. Overall, the O&R project is expected to save customers nearly \$2 million, while also reducing greenhouse gas emissions.

Utilities throughout the state are also partnering with clean tech companies in new business models to advance demonstration projects that show how they can evolve into their new role as Distributed System Platform (DSP) providers. (For more information, please visit www.dps.ny.gov/REVDemos.) Utilities are also specifically directed to consider emerging technologies that can increase the grid's capacity to host distributed, clean technologies like solar.

As part of the DSP planning process, utilities and other stakeholders will work together to develop:

- Standardized data and other systems to expand the range of potential developers, products and services that can readily exchange information and integrate new innovations;
- Sensing and control technologies that allow utilities to observe/monitor and coordinate/control a much more dynamic and two way distribution system. By sharing data, grid operators will be able to manage the grid, particularly during outages caused by storms, and to get the greatest value from control systems such as automated voltage control;
- A better understanding of the grid in each utility service territory, as well as the entire grid statewide, to identify areas where solar and other clean-power sources can be developed and produce the most value. Utilities and other market participants will develop a deeper understanding of the opportunities to benefit consumers through DER deployment and more intelligent networks as the market matures; and,
- Initiatives that will help reduce carbon emissions, including the state's transportation system. Utilities must provide preliminary plans to support development of charging stations for electric vehicles.

To ensure utilities do not gain a competitive advantage in the development of DER products and services, Commission staff developed a proposed code of conduct. Comments on the proposed code of conduct are due June 6, with a public discussion set for May 3 in Albany.

About Reforming the Energy Vision

Reforming the Energy Vision (REV) 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 generating 50 percent of the state's electricity needs from renewable energy by 2030. Already, REV has driven 600 percent growth in the statewide solar market, enabled over 105,000 low-income households to permanently cut their energy bills with energy efficiency, and created thousands of jobs in manufacturing, engineering, and

other clean tech sectors. REV is ensuring New York State 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, please visit www.ny.gov/REV4NY and follow us at @Rev4NY.