



STATE OF NEW YORK | EXECUTIVE CHAMBER

ANDREW M. CUOMO | GOVERNOR

**For Immediate Release:** December 12, 2014

**GOVERNOR CUOMO ANNOUNCES NEW CLEAN ENERGY INITIATIVES TO  
GROW ECONOMY AND PROTECT THE ENVIRONMENT**

***Five Milestones Reached to Further Restructure the State's Electric System and Provide  
Customers with More Choice and Value***

Governor Andrew M. Cuomo today announced milestone steps taken in New York State's comprehensive "Reforming the Energy Vision" strategy to spur clean energy innovation and investment, improve customer choice and value, and protect the environment. The actions announced today will put into motion five new reforms enabling further growth of the local clean energy industry and modernizing how the utility sector operates—critical efforts expected to bring new jobs to the state.

"These steps will help provide New Yorkers with clean, more affordable and reliable energy while also strengthening New York's energy grid," Governor Cuomo said. "We are investing in a sustainable, local energy future, which will help the energy industry produce more clean power and move New York's economy forward."

The five milestone steps taken by the Public Service Commission follow through on the State's efforts to modernize and fundamentally transform New York's energy system, including:

- Increase in net metering caps from 3 percent to 6 percent in response to market uncertainty and the desire to enable local business growth. Net metering allows eligible customers to offset their energy bills with clean, on-site electricity generation from solar and other technologies. Further, the Public Service Commission ordered a swift process to engage stakeholders to develop an allowance for community net metering, a critical tool for broadening access to the benefits of clean power for those who may not be able to logistically install solar on their homes or businesses.
- Approval of a first-of-its-kind, energy management program for Con Edison, viewed as a cutting-edge utility reform in New York and the nation. Con Edison's "Brooklyn Queens Demand Management" (BQDM) program encourages the deployment of local energy resources in areas which provide value to the larger electric grid, offers more clean energy for customers, and promotes innovation through competition. These efforts will lower overall costs for customers while offsetting the need to build a \$1 billion substation to serve customers.
- Adoption of a resolution encouraging utilities and third parties to propose demonstration projects, including those that might be similar to BQDM. The Public Service Commission stated these demonstration projects should exhibit new, scalable

business models, improve the resilience of the electric distribution system and add local energy resources and technologies to New York's power grid.

- Strengthened demand response programs to allow customer energy use to be dynamically managed with local energy resources. To this end, the Public Service Commission instituted a new proceeding to develop programs and tariffs for electric utilities to be implemented statewide in summer 2015. Benefits of dynamic load management include peak load reduction, reduced energy and capacity costs, deferral of the need for new generating capacity or transmission and delivery infrastructure, improved overall generator efficiency, and reduced greenhouse gas emissions.
- Development and exploration to allow Community Choice Aggregation in New York to benefit residential and small commercial customers and lower energy costs. Community Choice Aggregation involves the aggregation of gas or electricity load by municipalities. Participating municipalities could negotiate with energy services providers to contract for the community's energy supply. These contracts may offer attractive and stable prices as well as other public benefits. CCA programs will support the deployment of renewable generation, energy efficiency programs, home energy management, and other distributed energy resources.

Richard Kauffman, who as Chairman of Energy & Finance for New York leads the comprehensive Reforming the Energy Vision strategy on behalf of the Governor, said, "While other industries over recent decades have dramatically improved their productivity and quality through competition and innovation, the electric system has been left behind. Through our dedicated efforts we are moving forward with modernizing New York's utilities and our statewide power grid. Building on our success of previously announced initiatives included in Reforming the Energy Vision—such as NY-Sun, NY Green Bank, Clean Energy Fund, and regulatory reform—New York is leading the nation in creating an attractive environment for businesses to accelerate and expand investment in clean energy technologies while mitigating climate change."

Public Service Commission Chair Audrey Zibelman said, "The energy world is changing, and we are reforming regulatory policies to ensure that all customers benefit from the creation of economically and environmentally sustainable energy markets. With these initiatives, we will maximize the utilization of resources and reduce the need for new infrastructure through expanded demand management, energy efficiency, renewable energy, distributed generation, and energy storage programs. Our objective is to create market-based, sustainable products and services that drive an increasingly efficient, clean, reliable, and consumer-oriented energy industry."

Jackson Morris, Director of Eastern Energy at the Natural Resources Defense Council, said, "These are important steps forward toward increasing clean energy options for New York's communities. It will make it easier for all New Yorkers to benefit from clean, pollution-free solar power by easing restrictions on rooftop solar power systems. In addition, it will improve grid reliability in Brownsville, Brooklyn, using a model that could be replicated in other urban communities to make energy efficiency and clean energy more accessible. We look forward to working with the state to scale up these and other clean energy solutions as a key part of New York's leadership on curbing global warming and building community resilience."

Rhone Resch, President and CEO of the Solar Energy Industries Association, said, "This is a huge step forward in New York's efforts to create new jobs, reduce pollution and fight climate change. Governor Cuomo and the PSC deserve a lot of credit for being forward looking and for understanding the importance of market certainty. With 338 megawatts (MW) of solar capacity already installed across the state, this action puts New York on a clear trajectory to become one of the nation's leading solar states."

Rory Christian, New York Director of Clean Energy for the Environmental Defense Fund, said, "New York continues to benefit from leadership driving the state towards a cleaner energy vision. The actions outlined yesterday are a tremendous step forward in preparing New York for a cleaner energy future, helping animate markets, attracting investment, and creating jobs - all while reducing the impact of energy infrastructure on the environment."

Peter Olmsted, East Coast Regional Director of Vote Solar and President of New York Solar Energy Industry Association, said, "Strong policy leadership is combining with business innovation to fundamentally transform New York's energy landscape for the better. Solar and other clean options are creating jobs, putting consumers in charge of their bills, and building healthier, more resilient communities. The recent collection of Commission decisions will empower more New Yorkers to participate in and benefit from the state's growing new energy marketplace. We applaud the administration's continued leadership and look forward working with New York policymakers to unleash more of our state's clean energy potential."

Under Governor Cuomo's strategic "Reforming the Energy Vision" initiative, New York State is actively spurring clean energy innovation, bringing in new investments, improving consumer choice while protecting the environment and energizing New York's economy at the state and local levels.

By **unleashing innovation**, New York is pioneering a new statewide approach, giving customers new opportunities for energy savings, local power generation, and enhanced reliability to provide safe, clean, and affordable electric service for all customers. By **unleashing markets**, through statewide initiatives such as the Clean Energy Fund and \$1 billion NY Green Bank, New York is moving to diversify its support of the clean energy industry to address market barriers and attract private capital necessary to achieve the State's economic development and environmental objectives. By **empowering communities and creating jobs** through programs like Community Solar NY and K-Solar for schools, the \$40 million NY-Prize competition for community microgrids and the \$1 billion NY-Sun Initiative, New York is leveraging the power of its state institutions and government agencies to integrate local energy resources and meet the needs of New York's communities.

###