

What's Going On with Net-Metering in NY?

Energy Democracy Alliance guide to the changing “value of solar” energy policy in New York

1. Introduction

New York’s energy sector is undergoing transformation as more and more people and businesses adopt decentralized renewable energy. Supported by incentives and tax breaks, the number of New Yorkers going solar has grown exponentially in recent years, creating some 8,000 jobs and leading to 802 megawatts of solar energy installed – enough energy to power 136,000 homes. Nearly all of the solar energy developed so far in New York has been installed by homeowners, businesses, and municipalities on their own land and for their own use.

With the establishment of New York’s Community Distributed Generation policy in July 2015, a new opportunity for solar access was created for people who cannot go solar on their own property. Shared solar (also known as community solar or solar gardens) is an example of Community Distributed Generation. Shared solar projects are usually large solar arrays that serve numerous households and/or businesses. Participants in shared solar projects can either own panels or “subscribe” to a portion of the large array. Either way, participants receive credit on their bill for the solar energy that their portion produces. This opens up access for renters and others who cannot install solar arrays on site.

Community Distributed Generation policy could also create direct access to wind energy for New Yorkers. New York has 1,754 megawatts of wind energy installed, enough to power approximately 551,495 homes. The majority of wind projects are large and centralized, and they sell energy to the utility companies through New York’s wholesale market. To date, it has been difficult for New Yorkers to band together collectively to create community wind farms that directly benefit their households and businesses. The Community Distributed Generation policy could change that dynamic.

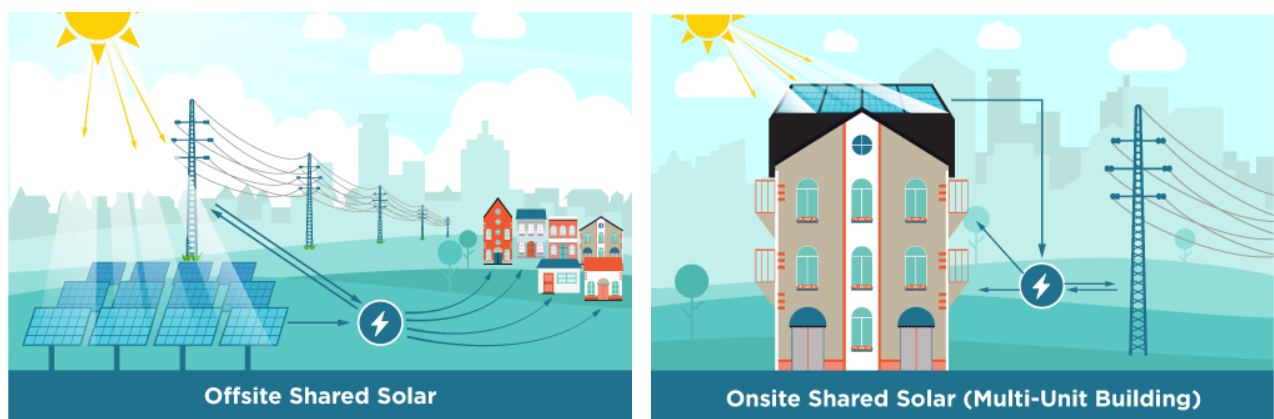


Image: energy.gov

The possibility of a major shift toward decentralized renewable energy, built *by* and *for* the people, challenges the traditional utility model. Across the United States, utilities have been taking action to try to stem this transition, either by trying to hamper renewable energy development or by trying to own

and control it. In New York, our Public Service Commission (PSC), which is the state agency that regulates utility companies, has taken a unique and groundbreaking path. Through the Reforming the Energy Vision (REV) process, the PSC has chosen to try to embrace the transition to decentralized renewable energy and to change utility regulations so that utilities are no longer threatened by this shift.

This REV process requires the robust engagement of the public and the community-based and grassroots organizations that represent their interests. In the absence of public participation and public demands for our communities' needs, utility companies will dominate the direction of REV and bend the PSC's project toward their own interests. This dynamic is happening right now in the Value of Distributed Energy Resources proceedings, which is one of the many decision-making processes happening under the REV. New York's utility companies are poised to win a change to the net metering policy that was originally put in place in place for 1997 and has been improved over time. The newly proposed Value of Distributed Energy Resources policy would create a lower value for energy produced from Community Distributed Energy projects, putting their development at risk.

The Energy Democracy Alliance does not, *per se*, oppose a transition away from net metering toward a policy that more accurately values renewable energy production. However, we insist that all of the benefits and costs of renewables should be included, not just those that utility companies choose to identify. Renewable energy, especially when designed to maximize positive community impact, provides a variety of benefits that can and must be taken into account in this proceeding. Further, it is critical that the PSC keep a focus on equitable and affordable access to the benefits of renewable energy for all people and all communities. Policies that slow the development of Community Distributed Generation exacerbate the inequitable distribution of costs and benefits in our current energy system.

The PSC is taking comments right now on the proposed Value of Distributed Energy Resources policy, and will likely decide the case in early 2017. The proposal itself is 68 pages long and is written in technical language that is hard for anyone other than the most involved energy experts to understand. Therefore, we have created this guide for the public, so that everyone with a stake in the process can have the information necessary to participate. This guide provides a description of the policy proposal, as well as the beginnings of recommendations from the Energy Democracy Alliance. The recommendations will be expanded upon and added to over the next few weeks as we prepare public comments and otherwise participate in the proceeding.

2. The Quick Summary for Readers Familiar with Technical Energy Jargon

This section is for those who already are familiar with many concepts related to utility regulations and value of solar. It will not be easily understood by the lay person. Please feel free to skip to Section 3 if you are not familiar with the technical language. The latter sections of this document will explain the policy in plain language.

The New York Public Service Commission is proposing a new Value of Distributed Energy Resources (VDER) policy and process that is meant to eventually replace net energy metering. The proposal would leave net metering intact for 20 years for any installation that is already built. Until 2020, the policy would also leave net-metering in place for 20 years for residential solar installations, small wind, and

other mass market resources. But it will quickly phase out net metering for Community Solar, remote customers, and some other distributed energy resources. Those projects will receive a VDER Phase 1 Tariff that takes into account certain costs and benefits.

For some distributed energy resources, under certain circumstances, there may be an opportunity to be compensated at a higher rate than what net metering offers now. But for others – in particular Community Solar – the new value of distributed energy will be lower than what is received under the current net metering policy. Many projects under development right now will be “grandfathered” in to net metering, but can opt for the new Phase 1 Tariff. There are some transitional tranches for community distributed generation projects developed after the policy goes into effect, which will provide close to the value of net metering, and these transitional tranches step down in value over time. The size of the tranches varies by utility territory. The smallest ones are in the Hudson Valley.

The Phase 1 Tariff does not take into account social costs and benefits like local job creation, energy burden reduction, public health, or environmental justice concerns. It does take into account avoided energy costs, peak energy reduction, locational value, and the social cost of carbon.

Public comments on the proposal will be accepted throughout November and into December 2016. Technical comments from parties are due on December 5, 2016 with reply comments due December 19, 2016. A decision is expected as early as January 21, 2017. The case number is 15-E-0751.

3. The Plain Language Version

Solar energy adoption in New York has been growing rapidly in recent years. There are many reasons for this growth, but it wouldn't have been possible without New York's “net energy metering” policy. Net energy metering, also known simply as “net metering,” allows people who own solar panels to put their extra energy onto the grid and receive compensation for it. This also applies to other Distributed Energy Resources (DERs), such as small scale wind and farm-waste generators. In New York, the policy requires utility companies to keep track of the solar energy that customers put onto the grid, and to provide those customers with credit on their bills.



Like rollover minutes on a cell phone bill, net metering gives renewable energy customers fair credit on their utility bills for the excess clean power they contribute to the grid.

This simple billing arrangement is one of the most important state policies for encouraging investment in solar.

Image: Value of Solar Initiative. i.imgur.com/IJTyL.jpg

Net metering policy has been critical to solar growth because solar production varies throughout the day and throughout the year. People with solar panels on their homes sometimes produce more energy

than they can use in their home. In those times (such as during the middle of the day), their extra energy goes onto the grid and powers their neighbors' homes. At other times (like at night) solar owners need to take energy from the grid to keep their lights and appliances running. Net metering allows these customers to store up credit on their bills when they are producing a lot of energy and then to use those credits to cover the cost of electricity when they need to take energy from the grid.

Net metering is a popular method for solar compensation because it is relatively simple and easy for customers to understand. Most net metered customers have solar installations designed to “break even” so that over the course of the year, they produce approximately the same amount of energy as they use. In New York, net metered customers receive one credit on their bill for every kilowatt hour of solar energy that they put onto the grid. Each of those credits are then redeemable for one kilowatt hour of electricity that customer takes from the grid. This means that the value of the net metering credits in New York is exactly equal to the retail rate of electricity.

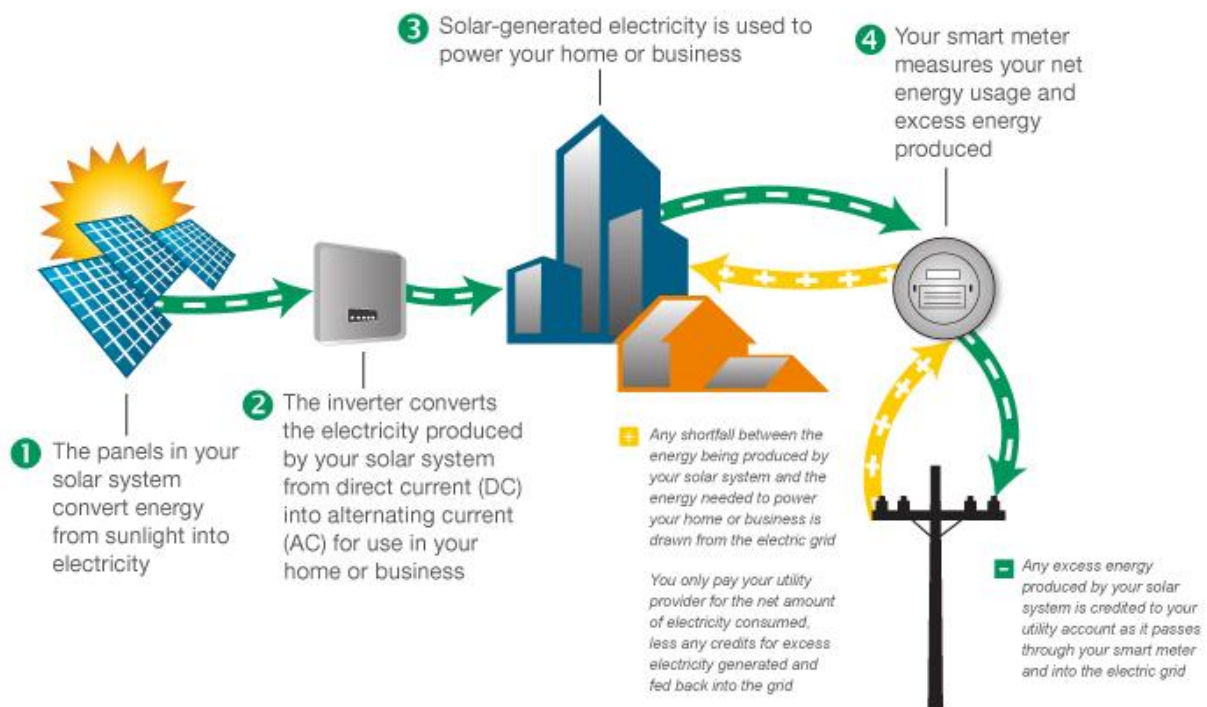


Image: Tandem Solar. Author's note: Net metering does not require a "smart meter" but it does require a bidirectional meter.

In the event that someone with solar panels produces more solar power than they use over the course of a year, the utility will pay them in actual dollars for their extra energy, but for those extra kilowatt hours, the customer receives the wholesale rate of electricity, which is much lower than retail rate.

Net metering is somewhat controversial and has been under attack by utility companies across the U.S. The utility companies claim that people who have installed solar are essentially freeloading, because they use the grid, but don't pay their fair share of maintaining the grid. In New York, net metered customers do continue to pay a basic service charge, regardless of how much renewable energy they generate, which means they do pay toward maintaining the grid. Additionally, numerous studies have

shown that distributed solar energy provides numerous benefits that the owners of solar installations are not compensated for, and that maybe people who have installed solar should be getting higher payments than they receive through the net-metering arrangement. And the debate rages on...

[Enter New York's Reforming the Energy Vision \(REV\)...](#) New York is in the midst of an overhaul of energy policy, including major changes to utility regulations. As part of that reform effort, the New York Public Service Commission, which is the state agency that regulates utility companies, is reconsidering net metering.

On October 27, 2016, the Department of Public Service Staff (the people who work for the Public Service Commission) released a "Staff Report and Recommendations in the Value of Distributed Energy Resources Proceeding." This report proposes new ways of paying customers for their solar energy. It does not just cover solar. It also covers other distributed energy resources that benefit from net metering now, including small-scale wind, combined heat and power, farm waste generators, and fuel cells. The Staff Report also includes some recommendations about how to treat storage technologies that are combined with other distributed generation technologies.

The Staff propose that the transition away from net metering should begin in 2017 and should occur phases. Phase 1, which is the subject of their recommendations, would last for approximately two years. It would be an interim policy enacted until Phase 2 can be figured out and implemented. Staff proposes that work on Phase 2 should begin immediately, with a goal of enacting Phase 2 by the end of 2018.

3.1 Pros and Cons of Net Metering

Under the Reforming the Energy Vision (REV) process, New York's energy policy makers are seeking creative ways to entice customers and the private market to install distributed energy resources. They are particularly interested in enticing distributed energy development that is designed to reduce overall energy system costs.

For instance, New York has high peak energy demand. Peak demand occurs at times when people simultaneously use a lot of electricity, such as during hot summer days when many air conditioners are running. Peak energy production is very expensive because it requires the use of the most expensive power plants. It also requires that New York maintains a larger system than would otherwise be necessary. The state has to keep many power plants around and sitting idle, just so they can turn on for the few peak hours of the year, and as consumers we pay for those plants to sit there and be ready when they are called upon. Additionally, utilities have to build the electricity transmission system so that it is large enough to deliver large amounts of power during peak times. But for the rest of the year, a lot of the infrastructure isn't really needed. All of this contributes to the high energy bills that we have in New York.

Increasing distributed energy generation, especially if designed to produce at peak times, could allow some of the expensive power plants to close. This would bring down electricity prices. This distributed energy generation could also reduce some of the transmission needs and costs. Doing this would reduce the distribution costs of energy that we all pay for. These are some examples of how distributed energy can be designed to reduce system costs.

Net metering as a way to pay people for distributed energy generation is popular because it is simple. But the simplicity also makes it a blunt instrument. Under net metering, for instance, all solar energy is treated as if it has exactly the same value. This does not incentivize people to build renewable energy in ways that maximize peak production (for instance by angling solar panels a little bit more to the west so they produce the most during the afternoon peak energy times). Net metering also doesn't incentivize people to build solar in locations that would help the utilities avoid building more transmission lines. Net metering policy also doesn't take into account social impacts of solar development. For instance, when solar energy is developed for the benefit of poor people, it can stabilize their energy costs and reduce their energy burden, and that has positive benefits for society at large.

A Value of Distributed Energy Resources policy has the potential to take all of these details into account and to drive distributed renewable energy development in a way that is most beneficial to society. It can also provide transparency and rationale for the compensation that distributed renewable energy producers are getting from the utility, helping to defend against the claims that they are freeloaders.

But.... of course the details matter. The details could make or break distributed renewable energy in New York.

3.2 The New York Proposal

The Department of Public Service Staff propose a phased transition away from net metering, starting with Phase 1, which will last approximately 2 years. During this Phase 1, some projects will qualify for net metering credits, some will receive a new Phase 1 Tariff, and others will receive the Phase 1 Tariff plus a transitional credit.

The Phase 1 Tariff will be variable over time. It will be based on a formula that takes into account:

- The wholesale price of electricity
- How well the facility produces during peak times
- Where the facility is located
- How well the facility reduces delivery costs
- The value of Renewable Energy Credits (RECs)

What is a Tariff?

“Tariff” is utility jargon for “rate structure.” In this case, it refers to the amount of money that the owners of distributed energy resources will receive from the utility company in payment for the energy that gets put on the grid from their solar panels, wind turbines, batteries, etc.

The Phase 1 Tariff will not, under the current proposal, take into account community or social benefits that the facility may provide (depending on how is designed and who owns it), such as:

- Reduced particulate air pollution
- Environmental justice benefits
- Reduced energy burden for low-income people
- Local job creation
- Ensuring geographical equity

What's the difference between Net Metering and Value of Distributed Energy Resources Payments?

- **Net Metering** creates a bill credit that can be used to buy electricity at times when the solar array (or other distributed energy resource) is not producing enough to cover the electricity needs in the home. There is not actual money exchanged. The bill credit doesn't have a specific dollar value. Each credit can be used to purchase one kilowatt hour of electricity.
- **Value of Distributed Energy Resources** would create a dollar value for each kilowatt hour that is produced. This exact dollar amount would be credited against the customer's utility bill, regardless of what the price of electricity is at the time it is credited. The Value of Distributed Energy Resources payment might be higher or lower than the retail price of electricity.

Which projects will stay under old net metering rules?

If you have already installed solar, nothing will change. You can continue to get your net metering credits for the next 20 years. But if you want to opt into the new Phase 1 Tariff, you can. After 20 years, you will receive whatever the Value of Distributed Resources is at the time.

If you are a residential or small commercial customer who plans to put solar on your roof or in your yard, you will also have net metering for 20 years. This will be the case as long as your system is installed before January 1, 2020. But if you want to opt into the new Phase 1 Tariff, you can. After 20 years, you will receive whatever the Value of Distributed Resources is at the time.

Some remote net metered (RNM) projects will receive net metering credits for 25 years. RNM is also known as "Virtual Net Metering." RNM occurs when someone installs solar on one piece of property, but applies the net metering credits to their bill at another property. RNM rules have been in flux since a June 2015 rule change that reduced the value of the credits that one could accrue using RNM. Some projects under development at that time were grandfathered into the old, higher value of RNM. Those projects will continue to get the monetary RNM credits they were promised for 25 years. But if they want to opt into the new Phase 1 Tariff, they can.

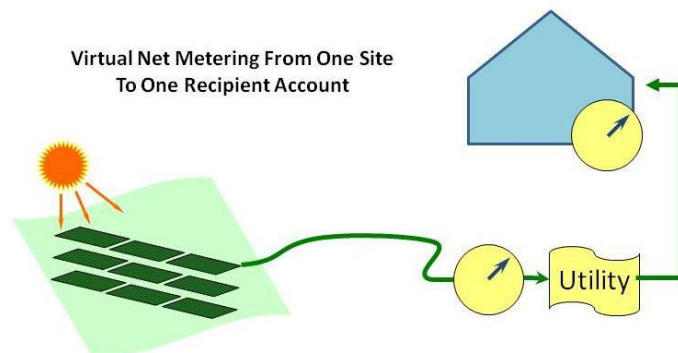


Image: suntimelectric.com. Author's note: In this type of arrangement, the same customer owns the land where the solar is located and pays the electricity bill for the building where the energy is used.

A certain number of Community Distributed Generation (Community Solar) projects will be eligible for net metering credits. Under New York's Community Solar policy -- adopted in the summer of 2015 -- customers who invest in solar receive credit on their utility bill for their portion of the production of the shared solar array. The approval of Community Solar in New York was billed as a game changer for both solar access and solar development. Expectations ran high that projects would take off and that tens of thousands of New Yorkers would be able to choose solar energy -- thereby reducing their energy bills and driving New York's solar market forward.

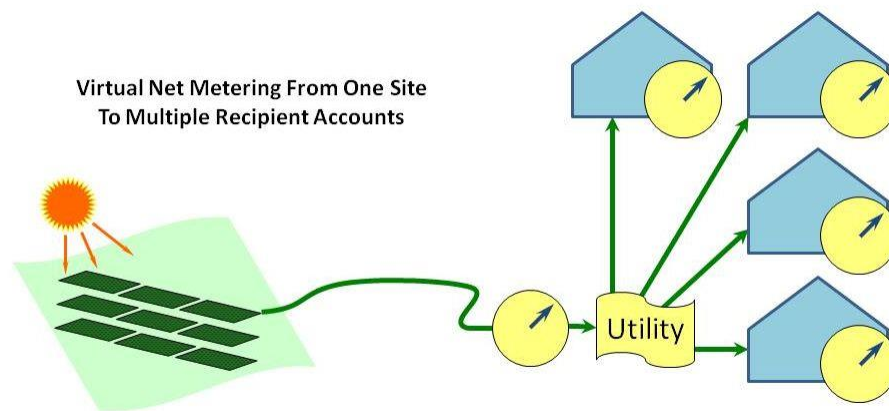


Image: suntilityelectric.com. Author's note: In the case of Community Distributed Generation, there are many different kinds of ownership arrangements that are workable.

To be eligible for net metering, a Community Distributed Generation project must pay 25% of its grid connection fees (to utilities) within 90 days of when the Commission makes a ruling on this policy. The Staff also propose to limit the number of projects that can receive net metering credits, even if they meet the first criteria of having paid 25% of interconnection costs. The limit will vary by utility territory, and will largely be based on how much solar energy is already developed in different regions of the state. This limited number of megawatts that can receive the old net metering value will be identified as "Tranche Zero." Community Distributed Generation projects can opt into the new Phase 1 Tariff if they prefer.

What is a tranche?

"Tranche" is a French word that means *slice* or *piece*. In the context of this policy, it refers to a group of distributed energy generation projects that will be treated the same way and receive the same value. Each tranche represents a certain number of megawatts of solar that can be eligible, first-come first-serve, for a certain value. Once the tranche is filled up, the next tranche is opened, until it too, fills up.

Which Projects will receive the New Phase 1 Tariff instead of Net Metering?

Community Distributed Generation (Community Solar) projects that do not make it into Tranche Zero. These projects will fall into Tranches One or Two, and will receive the Phase 1 Tariff, plus a Market Transition Credit. The value of that credit will decrease 10% with each tranche.

For Tranche One the Market Transition Credit will be calculated to ensure that 80% of the energy produced from the Community Solar array will receive the equivalent of the value that would have been received under net metering. For each tranche after, the Market Transition Credit drops in value by 10%. The sizes of the tranches are different based on utility region. They are relatively small in the Orange & Rockland and Central Hudson territories, while in other utility areas, they are much larger. The size is based on the Staff trying to keep solar development impacts on utilities to below 2% of the utility's revenues. In the Hudson Valley, more solar has been developed than in other areas of the state, which means there is less room to grow before hitting the 2% cap.

RNM projects, which have a single customer but where the generation facility is located on a different property than where the energy is consumed, will receive the Phase 1 Tariff, unless they were grandfathered in to monetary credits by a previous PSC order.

Large on-site projects will receive the Phase 1 Tariff. Large customers are defined as customers within a jurisdictional utility's non-residential demand-based or mandatory hourly pricing (MHP) service classifications. These are large projects built to serve a large power consumer located at the same site.

4. Comparison between Minnesota and New York Value of Solar

The only other state to adopt a Value of Solar policy is Minnesota. There, the value of solar will be applied to Community Distributed Energy projects for the first time in 2017. There are key differences between the policy in Minnesota, and the proposed policy in New York. Below is a summary created by John Farrell at the Institute for Local Self Reliance comparing the two policies:

	NEW YORK	MINNESOTA
SCOPE	NET EXPORTS	ALL ENERGY
ENERGY VALUE	VARIABLE	FIXED
CAPACITY VALUE	VARIABLE	FIXED
ENVIRONMENTAL VALUE	FIXED	FIXED
TRANSITION PAYMENT	YES	MAYBE
CONTRACT TERM	20 YEARS	25 YEARS

Image: ILSR.

A key difference is that Minnesota's value of solar price will be stable. Once a shared solar array is connected to the grid, it will receive a completely predictable rate for the solar energy it produces for 25 years.

Like New York's proposed policy, the Minnesota policy does not take into account many of the social and environmental benefits that can be provided by shared solar. There is work being done to improve the value of solar rate in Minnesota so that it can take into account values such as local economic development and low-income access.

4. Concerns with the New Policy from an Energy Democracy Perspective

The continued development of distributed energy resources in New York is critical to the vision of the Energy Democracy Alliance, which seeks to put the means of energy production into the hands of everyday New Yorkers and our communities. Community solar, in particular, holds the promise of affordable solar access and ownership for renters, people without access to financing or savings, and environmental justice communities. But shared solar is not automatically accessible to all people and all communities. State policy can and will determine whether or not the benefits of solar energy and other distributed energy resources will actually benefit low-income people and people of color.

The Value of Distributed Energy Resources policy proposed by the DPS Staff focuses on maximizing benefits and reducing costs for utilities. To some extent, by reducing costs for utility companies, there might be a trickle down benefit for all consumers, especially once distributed energy resources reach a scale at which they could seriously eat into peak energy prices or distribution costs.

However, the proposal ignores important opportunities to design distributed energy resource policies to incentivize their development in ways that directly benefit local economies, local health, and local communities. The “Value Stack” proposed by the Staff does not include all of the benefits of distributed energy resources. The values excluded are the ones that most explicitly and immediately benefit our communities. These include reducing the energy burden on our poorest residents so that they can better afford the utility bills and other basic necessities; creating local jobs, especially jobs that pay a living wage and are available for constituencies facing high unemployment; eliminating pollutants that lead to asthma and environmentally linked illnesses; and addressing historical and ongoing environmental and social harm inequitably borne by certain communities, such as communities of color and poor communities, as a result of our energy system.

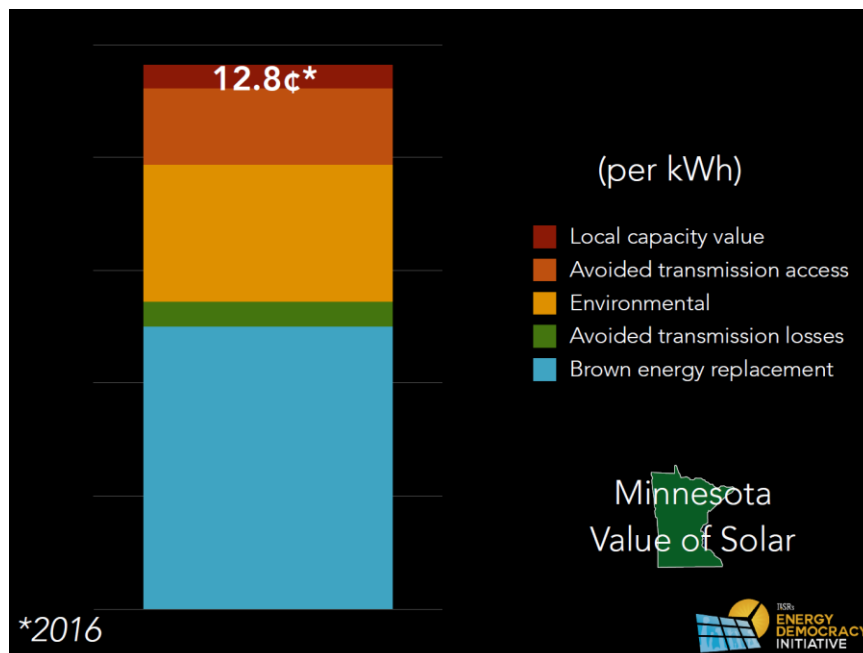


Image: ILSR.org. Author's note: The above image is provided to show an example of what a value stack can look like. It is not meant as a recommendation for NY.

The missing pieces of the value stack will likely mean that customers of Community Solar projects will receive a lower value for their solar production than they would under net metering. This puts Community Solar at a disadvantage compared to rooftop solar, creating inequities in solar access and solar benefits between those lucky homeowners who can take advantage of rooftop solar and the renters and other homeowners who cannot.

The Staff proposal is also quite complex and the Phase 1 Tariff is unpredictable from year to year. This complexity and unpredictability will hamper the ability of developers, especially those who are smaller and/or community based, to access affordable financing. The Community Solar sector in New York is still in its infancy. To date, only one Community Solar project has been connected to the grid even though the policy that enabled Community Solar has been in effect since October 2015. Now is not the time to make these projects harder to develop.

To make matters worse, community groups, municipalities and progressive businesses that seek to develop community solar projects for the benefit of disadvantaged communities will have an even harder time under the proposed policy.

5. Energy Democracy Alliance Basic Principles for Policy Recommendations

Keep it simple. The rules should be able to be understood easily by those considering going solar and solar developers. The current program is too complex, especially given how little is actually going to change within the next two years in terms of actual value paid to solar developers and solar customers. Complexity and confusion right now could have a detrimental effect on the solar market, even the residential market where little is changing at this time. If people cannot easily understand the rules, they will worry about whether it is safe to go solar. Solar energy is already misunderstood in many ways and solar educators and sales people already have so many myths they have to dispel for people to become confident about going solar. The Commission should avoid making it harder for people to find the confidence to invest in distributed generation. The Commission should simplify the policy so that there are only a few rules that can be quickly and easily explained.

Accelerate the transition to renewable energy. Catastrophic climate change is upon us. There is no time to waste. Solar energy is still less than 1 percent of New York's electricity generation and wind is less than 5 percent. We need to open the renewable energy floodgates, not restrict or control the growth of renewable energy. The Public Service Commission must ensure that utility companies do not get in the way. They should be required to build their systems to serve the needs of our climate and our survival. We cannot afford to coddle this industry when our lives are on the line.

Create predictability and transition slowly. The policy should avoid disruptions and policy uncertainty, which deter investment and the long-term commitments necessary to make renewable energy financially viable. The Phase 1 Tariff is only meant to be in place for a short time and will be replaced by a future Phase 2 Tariff. This means that the value of solar could be in flux for quite some time. This kind of uncertainty about policy could deter investment (from customers and from investors) and grind solar markets to a halt. This is particularly the case for large projects, like Community Solar, which take longer to develop and are harder to finance. We are skeptical that the benefits touted by Staff as rationale for the transition to a Phase 1 Tariff actually outweigh the costs of a potential

slowdown in Community Solar and other distributed renewable energy development. While we generally agree that the state should shift eventually to a value of distributed energy resources compensation program, we worry now that it is premature. Community Solar is already having trouble gaining a foothold in New York. Meanwhile, the majority of households and businesses are locked out of solar access. But the proposed policy does not make Community Solar easier to develop, and makes it harder because the value offered fluctuates, is complex to calculate, and is lower than net metering.

Create price stability. One of renewable energy's greatest assets (aside from being able to literally save the planet from climate destruction) is that the "fuel" is free. Wind and sunlight have no cost. Once the solar panels and windmills are installed, they cost little to operate. This means that nearly all the costs are up-front and are predictable. This predictability can benefit consumers by stabilizing their energy bills and eliminating the harm caused by the price spikes in the fossil fuel markets and the rising costs of nuclear power as reactors age. The predictability of renewable energy costs can also make financing of renewable energy projects easier, since investors don't need to worry about the risks of fuel price volatility. However, these benefits cannot be realized if the compensation mechanism for the value of solar is volatile. In other words, if solar customers and solar financiers cannot predict how they will be paid for the energy that the solar arrays produce, it will make financing projects much harder.

This can be remedied by creating a value of distributed energy resources tariff that is fixed for the life of the system. Even if the value changes from year to year for new projects, once a project is built, the value for that project should be locked in. This is how the value of solar is going to work in Minnesota.

Ensure equitable access and equitable outcomes. The outcome of the policy should be that solar access for all communities in New York is improved. This requires that the barriers blocking access for those who have historically been locked out of the economic and environmental benefits of solar must be eliminated. Community solar and other shared renewables promise a pathway to eliminate some of these barriers, but only if the policies and incentives are designed to make it so. Therefore, renters and those who cannot go solar on their own property should not receive a lower value for their investment when compared with homeowners. Small community-based and municipal developers should not be crowded out of the market by complex, costly rules that favor large developers. Large commercial power consumers should not see higher benefits than residential customers.

Value community benefits. Any policy that purports to capture the costs and benefits of an energy resource must take into account the environmental, health, and economic development benefits provided by clean, locally-owned, distributed energy projects. It is unacceptable that the value stack proposed by the staff leaves out many of the values that are most important to everyday New Yorkers. No value of solar policy should be enacted until these factors are incorporated. These benefits have been calculated in various studies.

Prioritize environmental justice. The negative impacts of our energy system are not felt equally by all communities. Some communities, particularly communities of color and poor communities, are unjustly overburdened with pollution from fossil fuels and nuclear power. Those same kinds of communities are disproportionately vulnerable to the effects of climate change. This situation requires urgent remedy. New York's value of distributed energy policy should be designed to encourage renewable energy development that reduces pollution in the most polluted communities and provides ownership and decision making power to the communities the currently have the least control over how the energy system impacts their lives.

There should be no caps on Energy Democracy. The transition to a decentralized energy system, in which individuals and communities gain access to real decision-making power and ownership over our energy production, is the best possible outcome of the REV process. The environmental catastrophes we face, the economic crises in our communities, and the racial injustice that permeates our society are all exacerbated by the energy system as it stands today. Nearly all of our electricity generators and power lines are owned by gigantic corporations with no accountability to anyone but their shareholders. While the Public Service Commission provides a regulatory check on some of that power, capitalist markets and corporate influence in our political systems are the strongest forces determining our energy future. Those forces have failed us, and have sent us to the brink.

We must move our state toward a better system, one in which we the people have the rights to determine our own energy future, to protect our most vulnerable, and to prevent the wholesale destruction of the Earth's ecosystems. Putting ownership and control over the means of sustainable energy production into the hands of everyday people, into the hands of municipalities, and into the hands of local businesses should be a priority for New York's regulators. The Value of Distributed Energy Resources policy, as proposed by Staff, would throttle this transition by placing caps on the number of shared renewable energy projects that could be economically viable at any given time. There should be no barriers to this transition. We need it yesterday.

6. How to Get Involved

The Staff Proposal indicates that the Public Service Commission could rule on this policy as early as January 24, 2017.

Public Comments

The Public Service Commission is taking public comments right now. The comment form for the case can be found here:

<http://documents.dps.ny.gov/public/Comments/PublicComments.aspx?MatterCaseNo=15-E-0751>

Organizational Comments

If you are an organization, a municipality, a renewable energy developer, or an expert and wish to submit substantive or technical comments, we recommend that you become a "party" to the case and submit comments according to the following deadlines:

December 5, 2016 – Initial Comments

December 19, 2016 – Reply Comments

Energy Democracy Alliance Organizing

The Energy Democracy Alliance will be writing and submitting joint comments and we will be inviting others to sign on. To provide input into that document or to receive a copy of it for your organization to consider signing on, please contact jessica@allianceforagreeneconomy.org. The document will be circulated during the week of November 28 and sign-ons will be due on December 4.

Additionally, the Energy Democracy Alliance will provide resources to organizations so that they can spread the word about this important proceeding. Check the Energy Democracy Alliance website during the week of November 28 for those resources or contact claysmithny@gmail.com for more information.

7. More information

There will be a technical conference held by the Department of Public Service on November 28, 2016. Details here: <http://documents.dps.ny.gov/public/Common/ViewDoc.aspx?DocRefId={54BC212D-3569-4F8E-8AD5-05C5486CF9BB}>

To read the full proposal from the Staff, click here: <http://documents.dps.ny.gov/public/Common/ViewDoc.aspx?DocRefId=%7B59B620E6-87C4-4C80-8BEC-E15BB6E0545E%7D>

Watch a webinar, sponsored by the Energy Democracy Alliance, explaining the Staff report here: https://zoom.us/recording/play/3qx3Zy8RJUAMM_dudozG8KCdP4MgvnrnOxzZbHo6BRXe9VjiFVbny0wCQQDsSTTp2

We also recommend this webinar on Value of Solar by the Institute for Local Self Reliance: <https://ilsr.org/webinar-minnesotas-solar/>

For a study by the Rocky Mountain Institute that compiled research on many Value of Solar studies, see this: <http://www.solarreviews.com/news/rmi-values-distributed-solar-report-072313/>

Visit the Energy Democracy Alliance's Facebook page and website to stay up to date: www.energydemocracyny.org
www.facebook.com/EnergyDemocracyNY/

8. Thank You

This guide was created for the Energy Democracy Alliance by Jessica Azulay, Program Director of Alliance for a Green Economy (www.agreenewyork.org) and Steering Committee member of the Energy Democracy Alliance.

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