



New York's 10 GW Distributed Solar Roadmap: Q&A

January 20, 2022

Questions from NYSEIA members	Answers from NYSEIA and NYSERDA staff
<p>How big is the initial Community Adder block?</p>	<p>2.27 GW of Community Adder block(s) with rates “initially set” at \$0.07/W Upstate and \$0.10/W in ConEd. TBD when/what after “initially set” rates. 2.27 represents ~70% of the new incentives (3.25GW) for incremental C&I projects. [p.74]</p> <p>This is separate and apart from any existing or proposed <i>Inclusive Community Solar Adder</i>.</p>
<p>Are projects that already secured MW Block incentives eligible to secure the new Community Adder?</p> <p>Regarding legacy projects, if a project received MW block but no Community adder, is that project eligible for the new Community adder?</p> <p>If a project has received the NY SUN incentive but not the community credit is that project eligible for the new NY sun incentive?</p>	<p>No, projects that have already received NY-Sun incentives are not eligible for new block or Community Adder incentives. [p.75-76]</p> <p>According to NYSERDA, they <i>would</i> be eligible for the existing Inclusive Community Solar Adder (ICSA) [p.69]. But NYSERDA tells us that is fully allocated, “so absent recycling of ICSA funds from canceled projects, if Roadmap proposal is approved as is, projects that previously received a base incentive would have to move forward with just that incentive.”</p> <p>However, the Roadmap proposes additional Solar Energy Equity Framework (SEEF) funding that NYSERDA tells us is earmarked for continuation of the ICSA, among other programs (more below). Whether or not the potential “new” ICSA funding would be made available for projects that already received base incentives is not clearly defined in the Roadmap. [NYSEIA seeks input from members to make recommendations (with justification) in Comments.]</p>
<p>Do projects that have qualified and/or received ICSA, but no MW Block qualify for the new incentive + CS Adder?</p> <p>If a project received a previous brownfield incentive but no other incentives, is it eligible for the new NY Sun C&I and Community Adder incentives?</p>	<p>Uncertain, Roadmap language is vague and as we understand there is currently no consensus among NYSERDA/DPS staff on this issue. Our take is that NYSERDA is supportive but DPS is unsure. This will be under purview of PSC, even if both DPS/NYSERDA favorable to allowing. NYSEIA seeks input from members to make recommendations (with justification) in Comments.</p>

<p>Can the Inclusive Community Solar Adder (ICSA) be added to the new Community Adder?</p> <p>Can the LMI adder be stacked on top of newly announced incentives for projects that receive (assuming they are approved)?</p>	<p>Uncertain, as noted above, there is currently no remaining ICSA incentives available, but NYSERDA/DPS is proposing new SEEF funding that is intended for ICSA (at undefined amount). In the previous (first) implementation of ICSA, there were different levels of ICSA depending on whether or not a project had secured MTC/CC/CA/just base MWB. Whether or not NYSERDA would have the same design in next iteration is still TBD. [NYSEIA seeks input from members to make recommendations (with justification) in Comments.]</p>
<p>Is there still going to be an adder for LMI projects in ConEd? What will that be?</p> <p>Will any of the 2,270 MW of community adder be set aside exclusively for LMI or is it all additive?</p>	<p>Yes and no. The Roadmap proposes 2,270 MW of new Community Adder at initial levels. The Roadmap <i>also</i> proposes new SEEF funding for ICSA in a separate/additional line item. The existing ICSA is fully allocated, however, additional Solar Energy Equity Framework (SEEF) funding (\$207M) is requested, with a target of 40% of the incremental NYSERDA-incentivized capacity (1,357 MW) to be included under the SEEF. [p.74] Details of the new SEEF/ICSA funding are still TBD. [NYSEIA seeks input from members to make recommendations (with justification) in Comments.]</p>
<p>If a developer has a CDG project that has a ConEd Status marked as "CESIR Payment Received - Pending Review" is it eligible for all new incentives?</p> <p>Is it correct that there is no Interconnection payment milestone cutoff for incentives? I.e., projects that have paid the 25% only after the previous program was used up will still qualify for the new incentives?</p>	<p>Yes, if the project has <i>not</i> received commitment for any NY-Sun incentives to date, it is eligible for new incentives, even if already in the utility interconnection queue. [p.75-76]</p>
<p>There is no mention of a change to upstate Non-resi. What should we expect as an incentive for below 750KW Upstate?</p>	<p>"No changes to the existing Upstate Nonresidential MW Block structure. Once all Upstate Nonresidential incentives are committed, eligible projects may apply for the available Upstate C/I MW Block incentives. (For clarity, these projects would be subject to the NY-Sun nonresidential program rules, including incentive payment schedule, but would receive the Upstate C/I incentive rate and draw capacity from the Upstate C/I MW Block structure.)" [p.75]</p>
<p>Where will multifamily fall under the new NY-Sun incentives? It used to be under the "Nonresidential" category, but it appears that category has been removed?</p> <p>Will the multifamily affordable housing adder be extended? If so, is there a recommendation for the \$/W level of incentive?</p>	<p>"The Multifamily Affordable Housing Added Incentive, launched in 2018, provides additional NY-Sun incentives for projects under 200 kW sited on multifamily affordable housing properties that are either owned by a public housing authority (PHA) or are managed under a regulatory agreement with local, state, or federal housing agencies." [p.25] more...</p>

	<p>“NYSERDA will continue offering the Affordable Solar Residential Incentive and the Multifamily Affordable Housing Incentive, as well as support for project predevelopment and technical assistance support.” [p.69]</p> <p>This language is vague, with level of incentive TBD. [NYSEIA seeks input from members to make recommendations (with justification) in Comments.]</p>
Do the incentives outlined in this white paper differentiate between solar-only assets vs solar+storage assets?	<p>No. These incentives are specific to the solar portion of any project, whether paired w/other tech or standalone.</p> <p>The Roadmap makes no mention of new storage incentives, but refers to NY Green Bank solar+storage investments [p.47], and NYSERDA’s Affordable Solar and Storage Predevelopment Technical Assistance Program. [p.25]</p>
Would stand-alone storage be excluded from these potential incentives. If so, have there been any discussions for incentives to stand-alone storage?	<p>Yes, excluded. A new storage Roadmap will be filed this summer, and likely new incentives for storage projects proposed.</p> <p>NYSERDA tells us there may be replenishment of retail storage incentives for NYC before that, which is currently under discussion and TBD. Could be an update on that sometime in Q1, but “have to wait and see.”</p>
<p>For ConEdison CDG projects currently in the pipeline that have received interconnection approval along with Community Credit in Value Stack but do not yet have MW Block incentive capacity (ie are waiting for AHJ approvals before receiving MW Block), is NYSERDA saying they are cancelling the current MW Block that these projects have predicated their development on?</p> <p>For those grandfathered the ConEd non-residential blocks will be honored?</p> <p>Are you saying that now in Con Ed the rebate goes from \$0.20 per watt into \$1.30 ?</p>	<p>The current ConEd nonresidential block (\$0.20) is expected to remain open until filled, or after PSC approval of Roadmap. When/if Roadmap approved, a new C&I block is planned to open at \$1.30 for projects under 1MW and \$0.75 for projects at or over 1 MW, at which point, pending another authorizing Order, non-residential projects that apply for the current non-residential block subsequent to Roadmap filing, or that have already applied to current non-residential block and have not been awarded a Community Credit, will be eligible to opt into the new C&I block(s). (For clarity, these projects would be subject to the NY-Sun nonresidential program rules, including incentive payment schedule, but would receive the ConEd C/I incentive rate and draw capacity from the ConEd C/I MW Block structure.) [p.75-76]</p> <p>For projects that have been awarded a CC but still in-process w/AHJ approvals to secure MWB, the current NonResi MWB will be open up to the date the new blocks are opened, which would be sometime in Q2, assuming Commission approves the proposal.</p>
If we were to develop a CDG in NGRID upstate, we would be eligible for the base incentive, plus the CC incentive, and then compensated for the appropriate VDER rate, correct?	Yes, assuming you have received no NY-Sun incentives to date.

<p>Are projects that already secured MW Block incentives eligible for the 3.1 cent E-Value?</p>	<p>Yes, VDER projects may receive MW block incentives and e-value. The e-value is part of the VDER value stack, separate from Phase One NEM compensation. VDER is required for eligible CDG, RC, and large on-site; and opt-in for eligible residential and small commercial, otherwise projects are compensated through Phase One NEM (effective Jan 1, 2022), with no e-value.</p>
<p>Going back to early 2021, what were the thresholds to receive the 3.1 cent E-Value initially?</p>	<p>VDER value stack thresholds.</p>
<p>Any chance of the e value being revisited before the final approval of the plan?</p>	<p>Perhaps not as part of this Roadmap, although NYSEIA will likely be making the case for revisiting e-value either in this case or more likely another.</p>
<p>How will the community adder be awarded? Will they just go back and issue new compensation letters for projects that just missed the cut, or is it only for projects that have yet to pay their 25% interconnection deposits?</p>	<p>Shyam: The Roadmap proposes that any project that did not receive a NY-Sun incentive, regardless of IX status, would be eligible for new Base and Comm Adder.</p>
<p>Should we be applying for the initial NY-Sun block now or how will they prioritize applications?</p> <p>As for the NY SUN block incentive, should we be applying now for those incentives so that we get into a queue or will there be a different method to prioritize projects that need incentives to get built?</p>	<p>Shyam: No. The NY-Sun application portal for Upstate Commercial and Comm Adder will soon be closed. You should not be applying for the proposed new incentives right now (you can actually only apply for \$0 incentives right now). Developers should move forward with IX and AHJ approvals to get in shape to meet NY-Sun eligibility criteria for when the new incentives hit the street (mid/late Q2 if Commission approves), at which point there would be the unavoidable button-pushing contest to get in line. That said, there is a small chance that initial demand for the new incentives is higher than initially proposed capacity level of 800 MW, in which case applications could be ordered based on the date of 75% IX payment. Something to definitely raise in Comments for more clarity. [NYSEIA seeks input from members to make recommendations (with justification) in Comments.]</p>
<p>What about projects that secure a NY-Sun incentive AFTER the filing of the Roadmap?</p>	<p>Shyam: projects that get a BF/LF adder or the Upstate NonResi incentive, and that want to know if they would be eligible for new Base MWB and/or new Comm Adder, recommend raising that issue in comments, since per Roadmap language, those seem to be unanswered questions. For ConEd there is pretty clear language saying that if you did not get the Comm Credit, you can opt into the new incentives when they hit the street, even if you applied for/received the current NonResi MWB. [NYSEIA seeks input from members to make recommendations (with justification) in Comments.]</p>

What counts as a single project for purposes of the 1MW PW cutoff? Discrete interconnections? Carports?	Shyam: The Roadmap does not specify, but we would likely default to IX application for project capacity in AC, and then convert to DC based on uprate factor.
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Additional spending

- How will the prevailing wage line item be spent “to assist the industry”?
 - TBD
- How will SEEF monies line item be set and awarded? (ICSA, affordable housing, etc)
 - TBD

Blocks

- What happens after initial blocks are filled?
 - TBD. NYSERDA expects these incentives to support development through 2022. If block(s) runs out early, they may choose to open a new block at reduced incentives, or bolster the current block at the same levels, or something else.
- What is happening with ConEd resi incentives?
 - There is currently ~46 MW remaining in Block 9 at \$0.20, which will remain available until expended
 - They are also proposing shifting current nonresidential blocks into new residential blocks
 - Nonresidential Block 9, ~52 MW remaining at \$0.20 -> to new residential block ~70 MW at \$.15
 - Nonresidential Block 10, 70 MW at \$0.15 -> to new residential block 70 MW at \$0.15
 - They are also proposing adding 150 MW at \$0.15
 - Totals: residential Block 9, ~46 MW at \$0.20; plus new proposed Block 10, 290 MW at \$0.15
 - Note: see above Q&A for legacy nonresidential projects’ eligibility in new blocks

Interconnection

- What is the venue for interconnection recommendations to move forward?
 - TBD. NYSEIA will pursue in Comments.