



Debbie Eckels
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Dear Ms. Eckels,

The following represents the comments of the Alliance for Clean Energy (ACE), Environmental Advocates (EA), Environmental Defense Fund (EDF), Natural Resources Defense Council (NRDC), Pace Energy and Climate Center (Pace), and Sierra Club in response to the Draft Distributed Energy Resources Report (Draft Report). We are a group of environmental non-profits who believe in the accelerated development of clean DER technologies, services, and assets. Our organizations are active participants in the REV proceeding and we applaud and appreciate New York State's leadership in pursuing a new vision for the provision of electricity that explicitly has carbon reduction as a goal, while also ensuring a smooth transition and preventing backsliding in any of New York's clean energy progress to-date.

The purpose of the draft report is to develop a comprehensive assessment of DERs in the NYSIO territory and to evaluate best practices of other RTO/ISOs have used to date. To this end the draft report has achieved its intended goals. While the scope and content of the assessment is laudable, the perspective from which the draft report stems is troubling. The perspective being one of the conventional utility model that views energy flowing exclusively from a top-down direction. This perspective is evidenced by the definition of DERs as “behind the meter” resources. This definition shows that the intention of the reviewer is to stop at the meter and not envision a bi-directional decentralized grid.

As the conversation around DERs evolves, so too will the definitions and concepts. “Behind the meter” will become distribution level DERs that operate to serve the grid and the

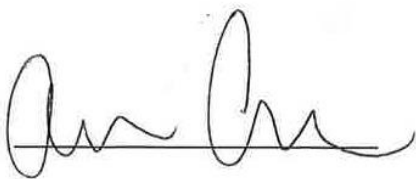
customer in a symbiotic manner. While this report seems appropriate given the context of the current regulatory and technological realities, the report and its definitions do not capture the envisioned decentralized energy realities to come.

As New York begins to reform its energy vision through the Public Service Commission REV proceeding, the NYISO should also begin to look forward to a future where “behind the meter” assets are incorporated differently into the planning and operation of the grid. Moving forward the NYISO should take the information gleaned in this report and think differently about the system it seeks to operate and manage and how that system interacts with future customers.

The wholesale and the retail markets will need to move quickly in tandem in the future. This report lays out the framework of that synergy; it is the next step to envision how these two disparate markets will function as one to allow bi-directional flows to make the grid more efficient, reliable, and customer friendly.

We wish to thank the NYISO for the opportunity to comment of the Draft Distributed Resources Report and look forward to a cleaner, more efficient grid that values DERs appropriately.

Respectfully submitted on behalf of the above organizations,

A handwritten signature in black ink, appearing to read 'Andrea Cerbin', written over a horizontal line.

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