

The NY-Sun Initiative

“Invest in solar while protecting ratepayers”

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The NY-Sun Initiative

- Announced by Governor Cuomo in his 2012 State of the State Address
- Expansion of the State's PV programs:
 - In 2012, double customer-sited PV capacity that was installed in 2011
 - In 2013, quadruple customer-sited PV capacity that was installed in 2011
- Technology advancements and system cost-reduction programs to reduce balance-of-system costs, including installation and all non-module costs

NYSERDA Deployment Programs

- Annual budget expanded from \$54 M/yr to \$108 M/yr through 2015
- Budget addition split approximately 25/75 between Standard Offer and Competitive Bidding Programs
- Standard Offer Program
 - Open enrollment, upfront incentive program
 - Serves small-to-medium scale systems (up to 50 kW)
 - Funding increased from \$24 M/yr to \$41.6 M in 2012, \$37.5 M in 2013+
 - Anticipated capacity additions from 2012 - 2015 funding = ~125 MW

NYSERDA Deployment Programs (cont'd)

- Competitive Bidding Program
 - Based on the Regional (Geographic Balance) Program
 - Serves medium-to-large scale systems (50 kW +)
 - Performance-based incentive for 3-yr term
 - Paid-as-bid (\$/kWh) incentive payment
 - Total requested dollar amount limited to \$3 M per Applicant
 - Systems being installed in “strategic locations” receive 115% of bid

NYSERDA Deployment Programs (cont'd)

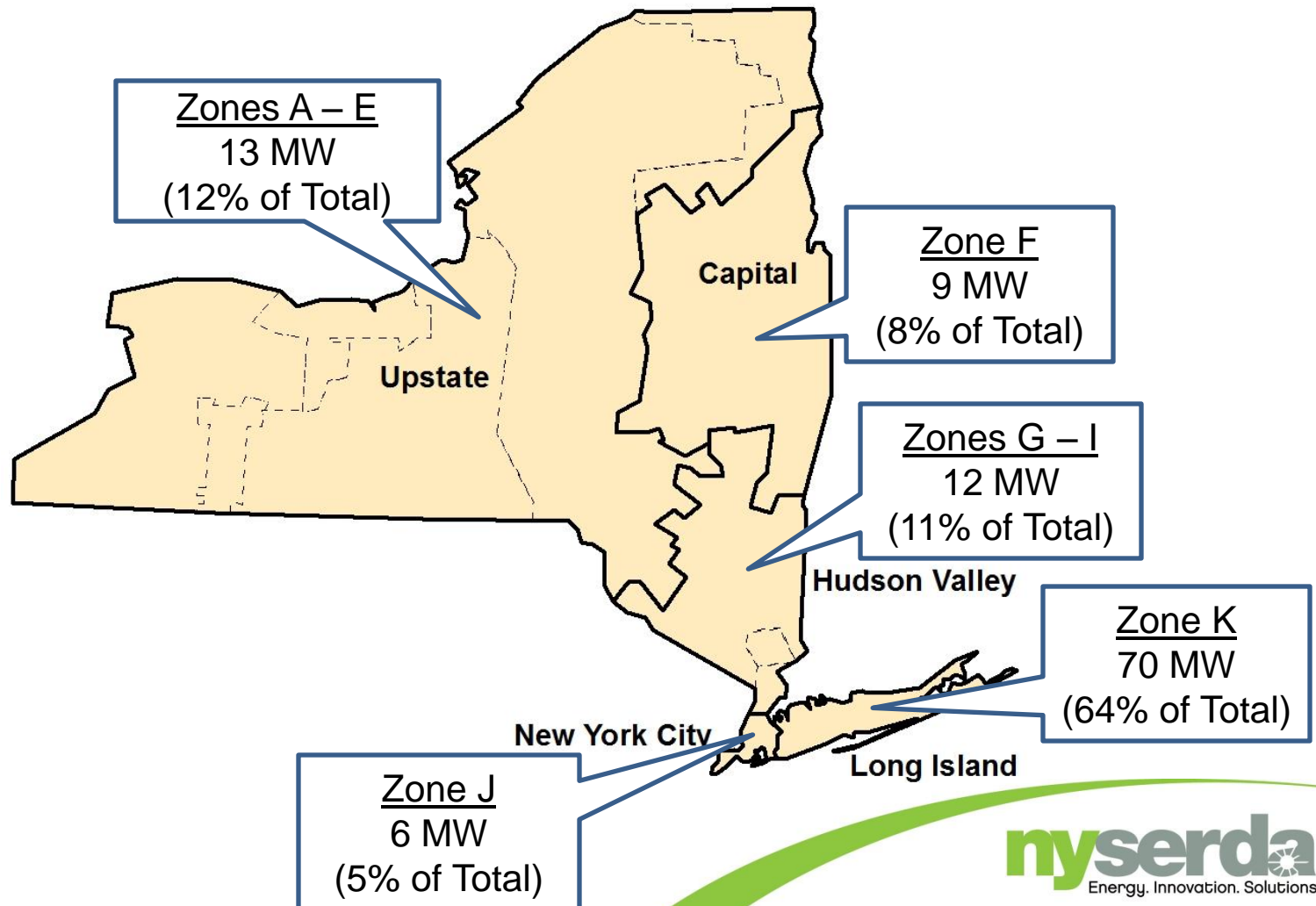
- Competitive Bidding Program (cont'd)
 - Funding increased from \$30 M/yr to \$66.4 M in 2012, \$70.5 in 2013+
 - Zone group funding split “in rough proportion to the contribution of those areas to electricity demand and RPS ratepayer collections”
 - Anticipated capacity additions from 2012 - 2015 funding = ~255 MW

Zone Group	2011	2012	2013	2014 (est.)	2015 (est.)	Total 2012 – 2015*
A – F	-	\$18.2 M	\$20.2 M	\$20.2 M	\$20.2 M	\$79.0 M
G & H	\$5 M	\$8.0 M	\$8.4 M	\$8.4 M	\$8.4 M	\$33.2 M
I & J	\$25 M	\$40.2 M	\$41.9	\$41.9	\$41.9	\$165.8 M
Total	\$30 M	\$66.4 M	\$70.5 M	\$70.5 M	\$70.5 M	\$277.9 M

**Totals may not sum exactly due to rounding*

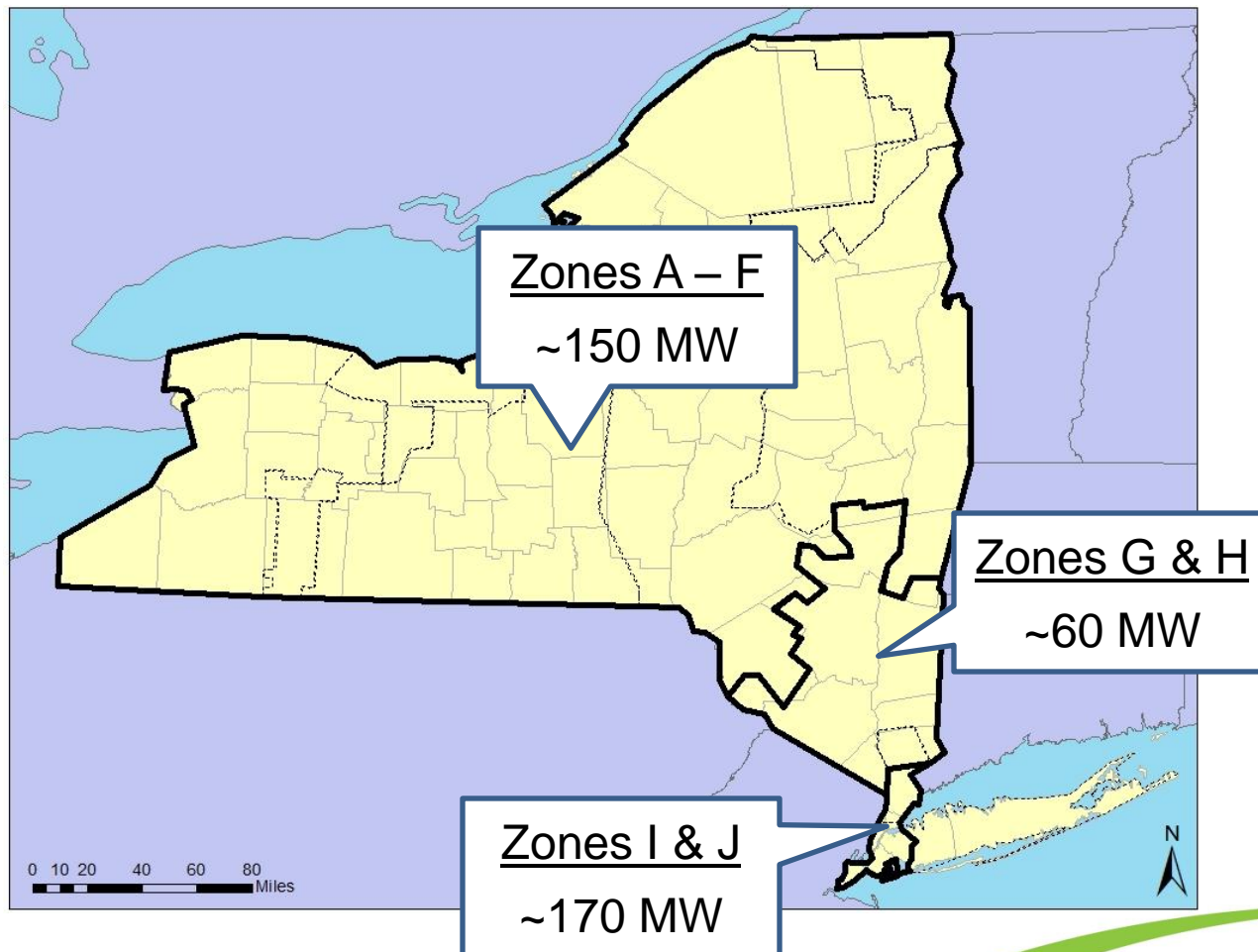
Current Capacity Distribution

- Total of 110 MW installed Statewide (as of 12/31/11)



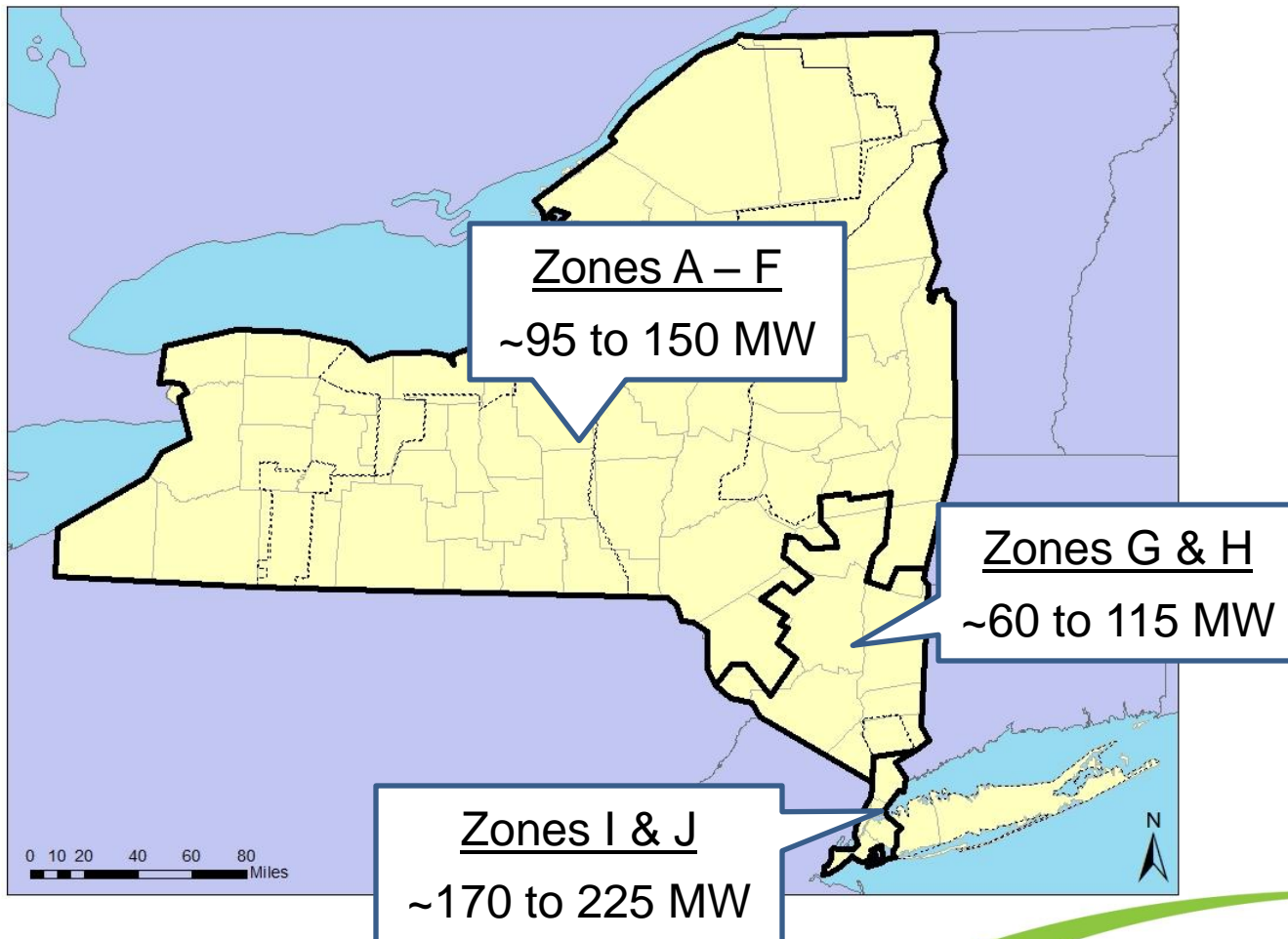
Potential Capacity Additions

- As Ordered funding distribution



Potential Capacity Additions (cont'd)

- NYSERDA may transfer funding Downstate if there is sufficient demand



Balance of System Cost Reduction

- NYPA, NYSERDA & LIPA collaborative
- Effort to reduce balance-of-system costs, which include installation and components other than the solar modules and can account for half of the total system costs
- LIPA program working with local towns on Long Island
- NYPA and NYSERDA to partner with other public and private entities outside of Long Island
- Efforts will focus on:
 - Standardization and streamlining of procedural requirements for permitting and interconnection
 - Development of training programs to educate local officials and stakeholders
 - Research to develop innovative, cost-saving PV equipment (i.e., mounting racks, power inverters, monitoring devices, etc.)
 - Demonstration projects to validate performance, system integration strategies, cost reductions and safety

The New York Solar Study

- Supported continued investment in the steady and measured growth and deployment of PV as part of a sound and balanced renewable energy policy
- Recognized the uncertainty in future cost of installed technology and associated ratepayer exposure
- Identified the need for a policy response and investment strategy that is both flexible and responsive
- Supported complementary efforts to reduce the balance of system costs for PV
- Supported continued federal incentives and aggressive federal research efforts to reduce the cost of PV to consumers