



NYSERDA

Summary of Unified Business Practices for DER Suppliers (UBP-DERS)

*Regulation and Oversight of DER Providers and Products
Case 15-M-0180*

Context of Order

Uniform Business Practices for Distributed Energy Resource Suppliers (UBP-DERS) rulebook ensures protection of customers participating in Distributed Energy Resources (DER) markets and programs.

DER Supplier is an entity that supplies one or more distributed energy resources that participates in a PSC-authorized and/or utility-operated program or market.

DER Suppliers are required to abide by the rules detailed in the UBP-DERS, which goes into effect 7/2/18.

UBP-DERS applies to all project types (residential, commercial, industrial, etc.). Specific rules applies only to on-site mass market (residential and non-demand commercial) and Community Distributed Generation (CDG) projects.

Contract Requirements – CDG and Mass Market

- Consistent with NY-Sun residential requirements
 - Price breakdown (purchases) or payment schedule (leases/PPAs)
 - All incentives & tax credits
 - Estimate of annual energy output
 - The rate at which the customer will be compensated for any electricity sold to the utility
 - The installation location & construction schedule
 - Any restrictions on the customer's ability to sell the system and/or his/her property
 - Warranty information
 - Any terms that limit the customer's right to enforce the contract or seek legal recourse
 - Assignment of responsibilities (maintenance and repairs)
- Must be written in plain language
- Inform residential customers of their rights under [Home Energy Fair Practices Act \(HEFPA\)](#) and the UBP-DERS & provide contact information for DPS
- Standard Customer Disclosure Form (available on [DPS website](#))



General Marketing Standards – all DER Suppliers

Applies to all advertising, soliciting and sales

- Do not engage in misleading or deceptive conduct
- Do not misrepresent rates or savings
- Use reasonable efforts to provide accurate and timely information about services and products
- Materials must be written in plain language that is designed to be understood by the customer
- Comply with laws and regulations regarding door to door and telemarketing

DER Suppliers are responsible for ensuring their subcontractors and other third party agents abide by all marketing standards. This includes ensuring that any customer lists or similar information purchased from third party marketers were not assembled through deceptive marketing.



Marketing Standards – CDG and Mass Market

Overview (for detailed requirements, see Section 3B of the UBP-DERS)

- Training of marketing representatives
- Requirements for in-person and telephone contact with mass market customers
- If materials or information includes savings estimates, must include a forecast using the following baseline:
 - 3-year average of actual historical utility rates for three most recent calendar years for which data is available (for the customer's actual utility and service class)*
 - May choose to apply an assumed escalation rate of up to 3% per year to this baseline. Must disclose escalation rate used if applying one.

*Example provided on following slide

Savings Estimate – CDG and Mass Market

Example: A solar developer is preparing a quote for a residential customer for a 20-year PPA. Over the past 3 calendar years, SC-1 (residential) customers in that utility territory have had average utility rates of \$0.10/kWh, \$0.09/kWh, and \$0.08/kWh. In addition to any other savings forecasts presented to the customer, the developer must provide a 20-year savings estimate based on a utility rate of \$0.09/kWh, with no more than a 3% annual escalation rate, and identify the escalation rate used.

DER Supplier Responsibilities

Consequences of Violations

- If a DER Supplier is alleged to have violated any of the standards in the UBP-DERS, DPS staff will investigate and the PSC will take action as appropriate.
- Consequences may range from a warning to complete ban from future participation in PSC-authorized programs.
- DER Suppliers are responsible for ensuring their 3rd parties/subcontractors conform with relevant regulations and requirements.

Customer Inquiries and Complaints – all DER Suppliers

- DER Suppliers must keep records of customer complaints on file for at least 2 years from the date of the transaction, or for length of the agreement, if longer
- DPS staff will accept inquiries and complaints and will make efforts to investigate and resolve those complaints

Provider Registration – CDG and Mass Market

- CDG and Mass Market Providers must register with DPS by 7/2/18
 - Completed registration form (available on [DPS website](#))
 - Provide sample sales agreements and sample customer invoices for each class and product type offered (CDG, mass market, purchase, PPA, etc.)
 - Provider is required to file new/updated sample contract/invoice if material changes are made to standard terms or if there are new product/service options
- Starting 7/2/18, proof of registration will be required with all interconnection applications
 - After 7/2/18, Providers are not allowed to market directly to customers until registered and approved by DPS
 - To maintain active status, Provider must annually confirm all registration information is current

Reporting Requirements – all DER Suppliers

- All DER suppliers are required to provide information to DPS on request, including information on customer complaints, transactions, and information related to the DER supplier's business operations and financials.
- DPS may conduct audits or other reviews of DER suppliers and must have access to the books, accounts, contracts, records, and documents of the DER supplier as necessary.

Reporting Requirements – CDG and Mass Market

- Developers must submit an annual report to DPS by March 31, providing data for the previous year, including number of customers served, a summary of services provided, and information on the number and classification of complaints received. No report is due in 2018.
- Per VDER Implementation Order, CDG sponsors must provide an annual report to all subscribers by March 31, showing the total credits the member has received (both kWh and \$) and the amount of fees paid by the subscriber. DPS to develop standardized form.

List of Action Items

Download and read Order / UBP-DERS

- All related documents are available on [DPS site](#)
 - Order is dated 10/19/2017
 - Order contains UBP-DERS

Register your company with DPS by 7/2/2018

- Registration form and Standard Disclosure Statement
- Required if serving Mass Market or CDG

Make sure your contract contains all required items by 7/2/2018

- See Section 3C of the UBP-DERS

Maintain records of customer complaints

- For future annual reports

NY-Sun Residential PV Calculator

- New, optional resource
- Calculate customer savings in accordance with Oversight Requirements
- Programmed with actual 3-year historic utility rates and all required caps/escalators
- Can generate single-page summary sheet to include with your residential proposals

Project Inputs - Fill Out Yellow Cells

Year 1 Solar Energy Production	6000	kWh
Annual Degradation Factor	0.50%	
Customer Type	Residential (SC-1)	
Electric Utility Company	NYSEG East (Zones F)	View Map
Utility Rate	\$ 0.1060	per kWh
Annual Real Increase on Utility Retail Rate	2.0%	per year
Inflation Rate	2.1%	per year
PV Project Installation Year	2018	
Purchase Type	Purchase	
Total Project Cost After All Incentives	\$ 7,000.00	
	0.00%	N/A if Purchase

Project Outputs

Value of 20 Years of PV Generation	\$ 12,004
Project Cost After All Incentives	\$ 7,000
Return on Investment Over 20 Year Term	71%
Levelized Cost of Energy Over 20 Year Term	\$0.06
Simple Payback in Years	11.0

