Before beginning, a few reminders to ensure a smooth discussion:

> Today’s webinar is being recorded
  - A copy of the recording and presentation slides will be posted to NY-Sun’s Resources for Contractors page

> Members of the public will be muted upon entry

To ask questions:

> Questions and comments may be submitted in writing through the Q&A feature at any time during the event. Questions will be answered at the end of the presentation.

If technical problems arise, please contact Dylan.Cunningham@nyserda.ny.gov
Agenda

> Overview
> Implementation Timeline
> Updated Program Offerings and Incentives
  > Upstate
  > Con Edison
  > Solar Energy Equity Framework
> Additional Program Details
  > Prevailing Wage
  > Project Eligibility
> Questions and Answers
Overview
> By **Spring 2021**, key distributed solar incentives (Community Credit/Community Adder/base Megawatt Block incentive) were mostly allocated. The Department of Public Service (DPS) hosted a 2-day Technical Conference to discuss the state of the market and potential mechanisms to support distributed solar deployment past the 6 GW Climate Act target.

> In September 2021, Governor Hochul announced a new distributed solar target of at least **10 GW by 2030**. NYSERDA and DPS Staff developed the Distributed Solar Roadmap to chart a pathway to achieve the 10 GW target, filed on **December 17, 2021**.

> On **April 14, 2022**, the New York Public Service Commission (PSC) approved the *Order Expanding NY-Sun Program*. This Order approved the budget and program design in the Roadmap, with several modifications.

> NYSERDA will file an updated Operating Plan with DPS by **May 31, 2022**.

> NYSERDA intends to update the NY-Sun program on **June 1, 2022**, with the changes and additions specified in the Order and Operating Plan, including new incentive offerings and updates to the Program Manuals.
The Order authorizes the following geographical and segment-based breakdown of incentive blocks for the **Incremental 4 GW Target**:

<table>
<thead>
<tr>
<th>Incentive Group</th>
<th>MW</th>
</tr>
</thead>
<tbody>
<tr>
<td>Upstate MW Block Incentives – C/I</td>
<td>2,943</td>
</tr>
<tr>
<td>Con Edison MW Block Incentives - Residential</td>
<td>150</td>
</tr>
<tr>
<td>Con Edison MW Block Incentives - Small Nonresidential Projects</td>
<td>50</td>
</tr>
<tr>
<td>Con Edison MW Block Incentives - Medium Nonresidential Projects</td>
<td>100</td>
</tr>
<tr>
<td>Con Edison MW Block Incentives - Large Nonresidential Projects</td>
<td>150</td>
</tr>
<tr>
<td><strong>Subtotal: MW Block Incentives</strong></td>
<td>3,393</td>
</tr>
<tr>
<td>Long Island, and Upstate Unincentivized Projects</td>
<td>607</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td>4,000</td>
</tr>
</tbody>
</table>

Long Island’s share is **560MW**. The Long Island Power Authority (LIPA) has not announced that it will be developing new incentives.
## Approved Budget

<table>
<thead>
<tr>
<th>Budget Item</th>
<th>Approved Additional</th>
</tr>
</thead>
<tbody>
<tr>
<td>Megawatt Block Incentives and Adders</td>
<td>$954M</td>
</tr>
<tr>
<td>Funds to Assist Transition to Prevailing Wage</td>
<td>$239M</td>
</tr>
<tr>
<td>Solar Energy Equity Framework</td>
<td>$252M</td>
</tr>
<tr>
<td>NY Cost Recovery Fee</td>
<td>$16M</td>
</tr>
<tr>
<td>Administration</td>
<td>$12M</td>
</tr>
<tr>
<td>Evaluation</td>
<td>$1M</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td><strong>$1,474M</strong></td>
</tr>
</tbody>
</table>
Implementation Timeline
Implementation Timeline

> NYSERDA will file an updated Operating Plan with DPS by **May 31, 2022** at the latest.
  - There is no waiting period or formal approval mechanism that needs to occur after the Operating Plan is filed

> NY-Sun will officially implement the new program changes and incentives on approximately **June 1, 2022**.
  - NY-Sun will post updated Program Manuals, updated MW Block dashboards, and other resources
  - We are already building out the necessary changes to Salesforce “behind the scenes”
  - June 1 is the target launch date, but could theoretically be delayed by technical issues
  - NYSERDA will send out an email announcement to all program participants when the changes go live
Implementation Timeline

> The June 1 launch will include the new Upstate Commercial/Industrial, Con Edison Nonresidential, and Con Edison Residential incentive blocks, as well as the replenished Community Adder.

> If more than 800 MW of complete applications are received in the first 2 weeks (by **COB June 15**), projects will be ordered by date of 100% payment, and then date of 25% payment.
  - The first 800 MW of projects would receive the $0.17/Watt rate, and all others would roll into the next block.

> Please **do not** attempt to submit new project applications before the program revision is officially launched. NY-Sun is **closing the Commercial/Industrial Program** to new applications until launch.
  - New applications can be created and held in **Unsubmitted** status. Users can fill out the full application and attach documents (NY-Sun Staff will not be available to do “pre-reviews”). When the program launches, click through the application wizard to verify information and refresh the incentive rate on the Equipment page before submitting.

> The Inclusive Community Solar Adder (ICSA) will be released after the other incentives. There will be a stakeholder feedback process in **late May/early June**, and the ICSA Round 2 launch is planned for **Summer/Fall 2022**.
New Program Offerings and Incentives: Upstate
Upstate Incentives - Base

<table>
<thead>
<tr>
<th>Incentive</th>
<th>Initial MWs Available</th>
<th>Incentive Amount ($/Watt)</th>
<th>Notes</th>
</tr>
</thead>
<tbody>
<tr>
<td>First New Commercial/Industrial Block</td>
<td>800</td>
<td>$0.17</td>
<td>&gt; We anticipate that this will cover all mature projects that will be eligible on Day 1</td>
</tr>
<tr>
<td>Second New Commercial/Industrial Block</td>
<td>At least 350</td>
<td>$0.15</td>
<td></td>
</tr>
</tbody>
</table>

> Later blocks will have capacity and incentive rate TBD

> Required application documents are largely unchanged, and include:

- Proof of 25% utility upgrade payment
- Proof of planning and zoning approvals
- **New Document Requirement**: GIS data file in .shp format of facility area
- Applications that do not include these documents will be rapidly rejected, **please do not submit incomplete applications, this slows down the process for everyone**
### Upstate Incentives – Adders

<table>
<thead>
<tr>
<th>Incentive</th>
<th>Initial MWs Available</th>
<th>Incentive Amount ($/Watt)</th>
<th>Notes</th>
</tr>
</thead>
</table>
| Community Adder                  | 800                   | $0.07                     | > Future blocks will be announced, up to another 1,260 MW (Rate TBD)  
> PSC will consider if CCAs can receive full Community Adder in CCA proceedings (public comments on Staff whitepaper due June 6) |
| Inclusive Community Solar Adder  | TBD                   | TBD                       | > More information forthcoming  
> Anticipated launch in Summer/Fall 2022                                                                                           |
| Multifamily Affordable Housing Incentive | N/A                 | $1.00                     | > There is no programmatic MW cap. Replaces the base incentive.                                                                         |
| Brownfield/Landfill Adder        | N/A                   | $0.15                     | > There is no programmatic MW cap                                                                                                      |
| Prevailing Wage Adder            | N/A                   | $0.125                    | > Projects that submit their initial utility application after April 14, 2022 and are ≥1 MW AC must abide by PW requirements, but will receive this incentive adder |


New Program Offerings and Incentives: Con Edison
## Con Edison Incentives - Base

<table>
<thead>
<tr>
<th>Incentive</th>
<th>Initial MWs Available</th>
<th>Incentive Amount ($/Watt)</th>
<th>Notes</th>
</tr>
</thead>
<tbody>
<tr>
<td>First New Residential Block</td>
<td>150</td>
<td>$0.20</td>
<td>&gt; Projects 200 kW and smaller</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>&gt; Future blocks will be announced, up to another 20 MW (Rate TBD)</td>
</tr>
<tr>
<td>First New Small Nonresidential Block</td>
<td>30</td>
<td>$1.20</td>
<td>&gt; Projects 200 kW and smaller</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>&gt; Future blocks will be announced, up to another 20 MW (Rate TBD)</td>
</tr>
<tr>
<td>First New Medium Nonresidential Block</td>
<td>40</td>
<td>$1.00</td>
<td>&gt; Projects 1 MW and smaller</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>&gt; Future blocks will be announced, up to another 60 MW (Rate TBD)</td>
</tr>
<tr>
<td>First New Large Nonresidential Block</td>
<td>85</td>
<td>$0.50</td>
<td>&gt; Projects greater than 1 MW</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>&gt; Future blocks will be announced, up to another 65 MW (Rate TBD)</td>
</tr>
</tbody>
</table>

> **300 MW** for Nonresidential, split into three project size categories
> **450 MW** total in Con Edison
## Con Edison Incentives – Adders

<table>
<thead>
<tr>
<th>Incentive</th>
<th>Initial MWs Available</th>
<th>Incentive Amount ($/Watt)</th>
<th>Notes</th>
</tr>
</thead>
<tbody>
<tr>
<td>Community Adder</td>
<td>100</td>
<td>$0.20</td>
<td>&gt; Future blocks will be announced, up to another 210 MW (Rate TBD)</td>
</tr>
</tbody>
</table>
| Inclusive Community Solar Adder        | TBD                   | TBD                       | > More information forthcoming  
> Anticipated launch in Summer/Fall 2022                                      |
| Multifamily Affordable Housing Incentive| N/A                   | $1.60 (non-CDBG)  $2.00 (CDG) | > There is no programmatic MW cap. Replaces the base incentive      |
| Brownfield/Landfill Adder              | N/A                   | $0.15                     | > There is no programmatic MW cap                                    |
| Prevailing Wage Adder                  | N/A                   | $0.20                     | > Projects that submit their initial utility application after April 14, 2022 and are ≥ 1 MW AC must pay PW or have a labor agreement, but will receive this incentive adder |
| Parking Canopy Adder                   | N/A                   | $0.20                     | > There is no programmatic MW cap                                    |
| Rooftop Canopy Adder                   | N/A                   | $0.20                     | > There is no programmatic MW cap                                    |
New Program Offerings and Incentives: Solar Energy Equity Framework
The Solar Energy Equity Framework supports projects serving LMI households, regulated affordable housing, and disadvantaged communities (DACs). The Order provides an additional $252M to the SEEF.

These existing initiatives are extended under the program expansion with the additional $252M:

> **Affordable Solar Residential Incentive** – no changes to incentive rates or eligibility
> **Multifamily Affordable Housing Incentive** – some changes, details on following slide
> **Inclusive Community Solar Adder** – some changes, details on following slide
> **PON 3414: Affordable Solar and Storage Predevelopment and Technical Assistance** – no changes to incentive rates or eligibility
> **RFP 5037: Expanded Solar for All** – RFP open through 6/16, projects receiving new base incentives are eligible
In accordance with the changes to the Nonresidential incentive in the Con Edison region, the Multifamily Affordable Housing Incentive will also increase in Con Edison:

- Non-CDG projects (i.e., remote crediting and onsite): **$1.60/Watt total NY-Sun incentive**
- CDG projects that **will not** receive the Community Credit: **$2.00/Watt total NY-Sun incentive**

The **$1.60/Watt** or **$2.00/Watt** total incentive levels are maintained as the base NY-Sun incentives step down, providing certainty to customers and developers.

- Eligible projects receive MAHI up to 200 kW, capacity above 200kW will receive the applicable nonresidential base incentive.

- The Multifamily Affordable Housing Incentive is not stackable with other adders, including the Community Adder, ICSA, and rooftop/canopy adder.

- There are no changes to the **$1.00/W** incentive for projects in the Upstate and Long Island regions.
The Inclusive Community Solar Adder is available for CDG solar projects serving low-to-moderate (LMI) subscribers, affordable housing, and other non-profit facilities serving disadvantaged communities (DACs).

ICSA Round 1: **400+ MW** of projects awarded

- Order directs NY-Sun to expand the ICSA to “further drive distributed solar development that directly benefits LMI customers.”

ICSA Round 2: Program will be revised and shared with stakeholders prior to launch

- Modifications based on Order, Round 1 experience, and stakeholder comments
- Stakeholder feedback process: Round 2 details shared in late May/early June, ~3 weeks for review and feedback
- Round 2 launch planned for **Summer/Fall 2022**
SEEF: ICSA Proposed Modifications

- Incentive Structure
- Residential/Non-residential Subscriber Mix
- Eligible Subscriber Target
- Geo-eligibility requirements
- Affordable Housing Participation
- Application Submission Process
- Marketing and Implementation Plan elements
Additional Program Details
Prevailing Wage

> PV projects $\geq 1 \text{ MW AC}$ that submit their initial utility interconnection application after April 14, 2022 will be required to meet prevailing wage requirements to qualify for the NY-Sun incentive.

> Such projects are eligible to receive an additional NY-Sun incentive adder

- Upstate Prevailing Wage adder is $0.125/\text{Watt DC}$
- ConEd Prevailing Wage adder is $0.20/\text{Watt DC}$
- Adder will be paid out in the same structure as the base incentive (100% at PTO for Nonresidential, 50%/25%/25% for C/I)

> Projects not required to pay PW do not have the option of voluntarily paying PW to receive the incentive adder.

> Projects under 1 MW that are required to pay PW by statute (public projects) are not eligible for the PW adder.

> NY-Sun staff are working to finalize PW requirement details and guidance. Details will be included in the Operating Plan.
Eligibility for New Incentives

- Projects that already received a NY-Sun award are prohibited from cancelling and reapplying to get a new incentive.

- Projects that received CA, ICSA, or brownfield/landfill adder but not base incentive will be able to receive the new base incentive. NY-Sun staff will reach out to you regarding these projects.

- Projects that received a base incentive but not Community Adder will not be able to receive the new CA.

- The Community Choice Aggregation Proceeding (Case Number 14-M-0224) will determine if opt-out CCA projects will be eligible for the Community Adder.

- ConEd Nonresidential projects that applied to the MW Block after Dec 17, 2021, as well as ConEd Nonresidential projects in Block 10, that did not receive the Community Credit, can receive the new block rate. Contractors will cancel the existing project application and re-apply.

- ConEd projects that have reserved a Community Credit but not yet applied for a NY-Sun incentive will receive the Block 10 rate of $0.20/Watt and/or the $1.00/Watt MAHI rate.
> There are no changes to the structure of the Value Stack.
> The current E value of **3.103 cents/kWh** is being maintained until at least the mid-term review.
> Projects that received the previous E value cannot opt into the current E value.
NY-Sun is aware that the industry has been beset by major headwinds over the past 6 months, including high module costs and supply constraints exacerbated by the AD/CVD circumvention trade case.

Steel and other component prices have been driven up by supply chain constraints, and economy-wide inflation and interest rate increases are further driving up costs.

NYSERDA and DPS are aware of these challenges, are monitoring them closely, and are in frequent discussions with the solar trade groups and individual stakeholders.
NYSERDA will coordinate with DPS and conduct a formal program evaluation when the first of these milestones occurs:

- Half the new Upstate C/I capacity is allocated;
- Half of the new Con Edison capacity is allocated; or
- December 31, 2025.

The mid-point review will include an analysis and evaluation of:

- Project costs based on developer-reported data, utility-reported interconnection costs, and international cost trends in modules and other components;
- The types of projects being developed in response to the incentives offered (i.e., remote crediting versus CDG projects);
- Market or policy factors that may be driving changes in rate of uptake and/or costs, such as broader adoption of net crediting, opt-out CDG, or other changes to state or federal policy; and
- Whether any changes to the E Value, base incentives or adders are warranted in response to the previous factors.

The mid-point review will be filed with the PSC and will be open for public comment through a SAPA period.
Questions & Answers

Please use the Q&A feature in WebEx to submit a question.
Thank You

> If you have questions on this presentation, please email communitiesolar@nyserda.ny.gov.

> On Thursday, May 12, NY-Sun will be hosting an informational webinar on the recently launched Request for Proposals (RFP) 5037: Expanded Solar for All. You may register for the webinar at: https://nyserdany.webex.com/nyserdany/onstage/g.php?MTID=ebf89ed6740883168561091a3fdbc7b3a

> As a reminder, this webinar is being recorded and will be posted to NY-Sun’s Resources for Contractors page in the “Stakeholder Meeting Updates” section.
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