



NY-Sun

A photograph of a rooftop solar panel array in the foreground, with a city skyline in the background. The sky is blue with scattered white clouds. The Empire State Building is prominent on the right side of the skyline.

NY-Sun Initiative Commercial/Industrial Program Manual

New York State Energy Research and Development Authority

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NYSERDA's Promise to New Yorkers:

NYSERDA provides resources, expertise, and objective information so New Yorkers can make confident, informed energy decisions.

Mission Statement:

Advance innovative energy solutions in ways that improve New York's economy and environment.

Vision Statement:

Serve as a catalyst – advancing energy innovation, technology, and investment; transforming New York's economy; and empowering people to choose clean and efficient energy as part of their everyday lives.

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9/06/2016	Section 4.1.5 Assignments Section 5.2 Energy Assessment Section 6.0 Project Completion Section 8.0 Logo Various sections: References to “Powerclerk” replaced with “NYSERDA Portal”

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1 PROGRAM SUMMARY

1.1 What Is the NY-Sun Commercial/Industrial Program

The New York State Energy Research and Development Authority (NYSERDA) offers performance-based incentives for the installation of new grid-connected solar photovoltaic (PV) systems greater than 200 kW that offset the use of grid-supplied electricity. PV systems must be sized primarily to serve project load (see Section [2.7](#) for details).

Funding for the NY-Sun Commercial/Industrial Program has been allocated as part of the Renewable Portfolio Standard (RPS) Customer-Sited Tier (CST) Program by the New York State Public Service Commission with additional funding made available through the Regional Greenhouse Gas Initiative (RGGI) for New York Power Authority (NYPA) electricity customers. Incentives will be allocated on a first-come, first-served basis and Incentive Applications will be accepted on a rolling basis through December 31, 2023, or until funds are fully committed, whichever comes first.

1.2 How Does the NY-Sun Commercial/Industrial Program Work

The Program establishes incentives based on a Megawatt (MW) Block design that allocates MW targets to specific regions of the State; breaks those MW targets into blocks to which incentives are assigned; awards incentives to applications based on the block in effect at the time of Incentive Application submission; and then moves to the next block, which has a decreased incentive, when a MW Block is fully subscribed. If a submitted Incentive Application exceeds the remaining capacity in a block, then the block will close and the Incentive Application and excess capacity will be moved to the next available block. Once all of the blocks within a region are fully subscribed, an incentive is no longer offered in that region.

The NY-Sun Commercial/Industrial Program provides incentives based upon the performance of the PV System as a function of annual energy production. In addition to performance-based incentives, the program includes additional incentives for project installations in utility-identified strategic locations as well as projects that integrate energy storage or comprehensive energy efficiency. Participating Contractors invoice for project incentives in four separate increments: one invoice when the system is installed, interconnected, and commercially operational and three invoices over the subsequent three consecutive years (Performance Period) based upon measured annual kilowatt hour (kWh) output of the PV system (System Actual Annual Energy Production). For details, see Metering requirements ([Section 3.4](#)) and incentive estimator: <http://www.nyserdanyny.gov/All-Programs/Programs/NY-Sun/Project-Developers/Commercial-Industrial-MW-Block/Commercial-Industrial-MW-Block-Resources-Forms>.

Incentives are available for new customer-sited PV systems, greater than 200 kW per electric meter, that are connected to the electric distribution grid. Prior to submitting an Incentive Application, an organization must become a Participating Contractor by registering with the NY-Sun Commercial/Industrial Program. After completing the registration process, the organization will be provided access to the NYSERDA Portal to submit project applications online. Participating Contractors can submit an Incentive Application under one of two application tracks: Track One-Project Maturity, or Track Two-Financial Security, described in [Section 4.2-4.3](#). Incentive Applications under either Track One or Track Two must be installed, interconnected, and in commercial operation no later than eighteen (18) months from the date of the NYSERDA approved Incentive Application (see [Section 6](#)).

1.3 To Become a Participating Contractor

To become a Participating Contractor in the NY-Sun Commercial/Industrial Program, interested parties must submit a PV Installer/Contractor Application through the NYSERDA portal: <https://nyserda-portal.force.com/login> in which they agree to abide by the terms and conditions of the NY Sun Incentive Program Participation Agreement. These documents are available on the NY Sun website <http://www.nyserda.ny.gov/All-Programs/Programs/NY-Sun/Project-Developers/Commercial-Industrial-MW-Block/Commercial-Industrial-MW-Block-Resources-Forms>. Applicants must also provide the following credentials:

- Complete the PV Installation Experience section of the Application Form detailing three commercial-scale projects that entered into commercial operation in the past three years that, in aggregate, sum to at least 500 kW. These must be verifiable references for specific projects and be accompanied by a brief description of the systems installed and the applicant's role in the project.

OR

- Indicate that your organization has successfully completed a PV project under any of the prior Competitive PV PONs that has been reporting data to the NYSERDA DG Integrated Data System website for at least three months.

See: <http://chp.nyserda.ny.gov/facilities/index.cfm?Filter=Solar>

Participating Contractors are responsible for preparing and submitting all required PV Incentive Application documentation to NYSERDA. Incentives are paid directly to the Participating Contractor that submits the Incentive Application unless a separate entity is selected to receive incentives. This can be done so once per incentive application, either at time of submission by adding a payee different than the participating contractor; or any time prior to Commercial Operation through a Project Modification request in the NYSERDA portal. (see Section 4.1.5 Assignments). The Participating Contractor is required to disclose the full amount of the NYSERDA incentive to the end-use customer. The Participating Contractor is responsible for full compliance with the terms, in their entirety, of the NY Sun Incentive Program Participation Agreement and this Program Manual.

If a Participating Contractor is active in both the NY Sun Residential/Small Commercial and Commercial/Industrial Incentive Programs then the Participation Status of the Contractor/Builder in the Residential/Small Commercial Program may apply in both the Residential/Small Commercial and Commercial/Industrial Incentive Programs. Please refer to the [Residential/Small Commercial Program Manual](#) for details on the Participation Statuses in that program.

1.3.1 Community Solar NY “Solarize” Participating Installers

Participation in a Solarize campaign is voluntary. Contractors/installers who agree to participate must first become pre-qualified prior to submitting a proposal to a Solarize campaign. The contractor may become pre-qualified by submitting their name, mailing address, and FEIN to communitysolar@nyserda.ny.gov.

By agreeing to participate in a Solarize campaign, the contractor/installer is expected to act in good faith and follow proposed campaign guidelines. A contractor/installer that is not selected for a Solarize program may not use the Solarize name. The Solarize name is reserved solely for selected contractors/installers. If the status of selected contractor/installer changes to either suspended or

terminated, the contractor/installer shall surrender all leads generated by the campaign to the program manager. Failure to provide adequate services on previous Solarize campaigns may be grounds for rejecting future participation.

2 GENERAL PROGRAM RULES

2.1 MW Block Incentive Structure

The Megawatt Block incentive structure is designed to:

- Provide certainty and transparency regarding incentive levels
- Account for regional market differences
- Provide a clear signal that New York State plans to reduce incentives to zero in a reasonable timeframe
- Allow for the elimination of incentives sooner in regions where the market conditions can support it, based on market penetration and cost-effectiveness

The MW Block approach allocates installed PV megawatt (MW-DC) targets to different regions of the State and within those regions segments the target into capacity blocks to which incentives are assigned. Upon Incentive Application submittal and review, incentives are reserved based on the block in effect at the time of Incentive Application submission.

Regional MW Blocks are established as follows:

- The region served by Consolidated Edison (“Con Ed”);
- The rest of state (“ROS”) except PSEG-LI

Regional incentive levels are established as follows:

- The region served by Consolidated Edison (“Con Ed”);
- Remote net metered projects in the ROS¹ that receive monetary crediting from a non-demand host meter (“Monetary”)
- All other projects in the ROS (“Volumetric”)

The Monetary and Volumetric Incentive levels are designed to align with the Transition Plan created by DPS staff to address a rate design that advantaged remote net metered projects with a non-demand host meter over on-site net metering customers. Details of the Transition Plan can be found here:

<http://documents.dps.ny.gov/public/Common/ViewDoc.aspx?DocRefId=%7b12D9EA05-7A97-45C9-B8EF-F634731A4276%7d>

In the ROS region, a remote net metered project with a non-demand host meter that is eligible under the Transition Plan to retain monetary crediting is only eligible to receive the Monetary incentive level, unless the project requests volumetric crediting from the Investor Owned Utilities (IOU). In this instance, the application must include written acknowledgment from the IOU that the project was eligible for monetary crediting but will receive volumetric crediting. All Incentive Applications for remote net metered projects in the ROS claiming Volumetric crediting will be verified by NYSERDA. If, at any time, NYSERDA determines that an Incentive Application misrepresented a project in order to receive

¹ ROS incentive levels apply to the region served by National Grid, NYSEG, RG&E, Central Hudson Gas & Electric, Orange & Rockland Utilities and the municipal utilities.

the Volumetric incentive, the application will be cancelled and the incentive rescinded. A new Incentive Application may be submitted for the project, to which the incentive level and all rules in effect at the time of the new Incentive Application will apply.

NYSERDA will monitor MW block activity, share program activity with stakeholders (including Participating Contractors, PV developers, trade associations, regulators, utilities, customers, and other market actors) and conduct regularly scheduled NY-Sun Stakeholder meetings throughout the duration of the program to discuss program activity and market conditions. Stakeholder feedback will be taken into consideration when making adjustments to the MW block design, if warranted. NYSERDA will make every effort to notify stakeholders as soon as possible of any planned changes. The first of these meetings will be in mid-2015 with subsequent meetings approximately every six months thereafter.

Information on the MW Block design, including real-time data on the current incentive levels and program activity can be found at <http://www.nyserra.ny.gov/All-Programs/Programs/NY-Sun/Megawatt-Block-Dashboards/CI-Dashboard>.

2.2 Project Site Locations

Eligible projects must have a PV capacity greater than 200 kW per utility meter and be installed in New York State (except PSEG-LI customers) and be connected to the electric distribution grid. Incentive Applications are limited to one host meter per application. A host meter is the location where the PV system will be interconnected to the utility. If multiple host meters are present then multiple systems may be eligible for incentives under separate applications. Only Participating Contractors can submit applications for incentive funding.

Funding for the NY Sun Incentive program is provided primarily by RPS funds with limited additional funding from RGGI for customers of NYPA and the municipal utilities that do not pay the RPS Surcharge on their electric bill. Once the RGGI funding is exhausted, eligible projects will be limited to RPS paying customers.

PV projects that have been electrically interconnected to the distribution grid prior to submitting an Incentive Application are not eligible for funding.

2.3 Grid Connection

PV projects must be grid-connected, end-use applications. PV projects must be connected on the customer's side of the electric meter, and the electricity generated offsets the customer's grid-supplied (by investor-owned or public utility) electricity usage in accordance with net metering laws, regulations and tariffs that are current at that time.

Participating Contractors are encouraged to investigate the availability of net metering opportunities they may qualify for, including remote net metering and community distributed generation (CDG) if applicable. To assess if a project qualifies for net metering, remote net metering, or community distributed generation please refer to the appropriate utility tariff and see:

<https://www2.dps.ny.gov/ETS/search/searchShortcutEffective.cfm?serviceType=ELECTRIC>

Participating Contractors are responsible for effective management of all technical issues for interconnection with the utility and any required upgrades to portions of the local utility or customer infrastructure, as well as economic impacts resulting from any utility fees and/or costs that may be

incurred.

2.4 Strategic Locations

The IOUs have identified regions within their service territories where new PV electric power generation systems are expected to provide added value to the electric distribution system. For projects in these IOU identified Strategic Locations, NYSERDA provides an additional 20% increase above the base incentive level in effect at the time the Incentive Application is approved. This increased incentive is only available for PV Projects identified at the time of application as being sited at a strategic location and such location must be confirmed by the IOU. The Strategic Locations are determined by the utilities, and PDF maps as well as Google Maps KMZ map layers can be downloaded from the NY-Sun webpage:

<http://www.nyserdan.ny.gov/All-Programs/Programs/NY-Sun/Project-Developers/Commercial-Industrial-MW-Block/Commercial-Industrial-MW-Block-Resources-Forms> If confirmation of Strategic Location cannot be readily obtained from the IOU then a screen capture from Google Maps showing the Strategic Location boundary from the KMZ file can serve as confirmation.

Funding for Strategic Location incentives are offered on a first-come basis until funds are exhausted or IOUs implement PSC approved Reforming the Energy Vision tariffs that reward projects that provide equivalent or greater benefits to the grid.

2.5 Energy Efficiency and Energy Storage

At a minimum, Participating Contractors are required to conduct an American Society of Heating, Refrigerating, and Air-Conditioning Engineers (ASHRAE) Level 1 walkthrough or Energy Star Portfolio Manager benchmarking assessment for all projects with an approved Incentive Application on the customer's behalf - see [Section 5.2](#).

Participating Contractors are encouraged to go beyond that minimum level. NYSERDA offers a \$50,000 integration incentive to Participating Contractors that install energy efficiency investments that reduce the energy use intensity (kBtu/sq.ft./year) at the electric customer's site by a minimum of 15%, relative to the baseline energy use intensity for the electric customer – see [Section 5.4](#).

NYSERDA also offers a separate \$50,000 PV/Energy Storage integration incentive to Participating Contractors that integrate an energy storage system into the PV Project that provides a minimum of 250 kW of monthly peak demand reduction at the electric customer's site – see [Section 5.5](#).

Integration incentive(s) require that projects be installed and include documentation of at least one year's performance provided by the Participating Contractor no sooner than the end of the first year's performance period and no later than the end of the three-year performance period. Participating Contractors are eligible to participate in other NYSERDA and/or utility programs to offset costs for the equipment installations. The \$50,000 integration incentive is to assist in the development, design, modeling and validation of the integration of energy efficiency and/or energy storage.

Integration Incentives are offered on a first-come basis until funds are exhausted.

2.6 Incentive Calculation

The incentive amounts identified on approved Incentive Applications in the NY-Sun Commercial/Industrial Program are Not-to-Exceed (NTE) values. The maximum dollar value of the NTE

Incentive will be equal to the Estimated Annual Solar Energy Production for three years (Base Incentive) plus strategic location or integration incentives, when applicable.

The Base Incentive for an eligible project is based on 3 years of Estimated Annual Solar Energy Production using a designated 13.4% Capacity Factor (CF) for fixed systems, 16% CF for single-axis tracking, or 17.5% CF for dual-axis tracking at the incentive associated with the block in which the Incentive Application is approved by NYSERDA.

Estimated Annual Solar Energy Production is calculated in the following manner:

Total System Size (kW) x 8760 x Designated Capacity Factor = Estimated Annual Solar Energy Production (kWh)

The Base Incentive is calculated in the following manner:

Estimated Annual Solar Energy Production (kWh) x Incentive (\$/kWh) x 3 (yr) = Base Incentive (\$)

The NTE Incentive is equal to the Base Incentive, or, to the extent that the Participating Contractor demonstrates that the project is sited at an IOU identified strategic location or includes storage or efficiency integration, as appropriate, the following incentives are added to the Base Incentive:

- Projects sited in strategic locations multiply the Base Incentive by 1.20
- Projects integrating Energy Storage add \$50,000 to the Base Incentive
- Projects integrating Energy Efficiency add \$50,000 to the Base Incentive

An incentive estimator tool has been developed to aid in the calculation of incentive amounts for planning purposes. This tool can be found here: <http://www.nyserda.ny.gov/All-Programs/Programs/NY-Sun/Project-Developers/Commercial-Industrial-MW-Block/Commercial-Industrial-MW-Block-Resources-Forms>. The tool provides an estimate; the NTE Incentive amount calculated by the NYSERDA Portal when the Incentive Application is submitted establishes the incentive available to the PV project regardless of amounts calculated by the incentive estimator.

The Base Incentive amount for each PV Project may not exceed 50% of the total installed system costs for the PV project installation. Participating Contractors are required to provide an accurate estimate of the total installed costs for the PV Project to show that the Base Incentive amount is no greater than 50% of the total installed costs for the project.

2.7 Project Incentive Limitation(s)

For the purposes of incentive calculation, the Estimated Annual Solar Energy Production (kWh) may not exceed 110% of the customer's historical aggregated 12-month net grid supplied consumption (including any eligible Satellite Meters). At the time of application submittal, a project submitted as a Community Distributed Generation project is exempt from this limit.

For customer sites that currently include or plan to install any other on-site power production equipment, the Participating Contractor must identify the size and type of such equipment, annual energy output, and which meters it serves in the Incentive Application. At NYSERDA's discretion the project incentive limitation may be adjusted downward for such co-located on-site power equipment that serves the same metered load(s).

At NYSERDA's discretion, project incentive limitations for Estimated Annual Solar Energy Production may be adjusted for individual projects if the Participating Contractor includes documentation in the Incentive Application that demonstrates:

- Planned load growth as documented by professional engineer (PE), IOU or NYSERDA that maintains compliance with current project incentive limitations; or,
- Load served by the project is a net-zero energy building(s) as shown by PE, IOU or NYSERDA documentation

An individual PV project site, including multiple co-located PV projects, cannot receive incentives for more than 10% of the total MW's in an individual block in the ROS region and 30% of a block in the ConEd region.

2.8 Coordination with other NYSERDA Programs

PV projects that have active awards or contracts under any other NYSERDA PON, RFP or Program are not eligible to receive incentives under the NY-Sun Commercial/Industrial Program. Contractors are not permitted to cancel a NYSERDA contract in order to apply to the NY-Sun Commercial/Industrial Program for the same project. Project sites and off-taker meters awarded under PON 2956 are not eligible in the first ROS Monetary block if the MW Block NTE Incentive is greater than the PON 2956 award.

Project types eligible under the NY-Sun Commercial/Industrial, a CST Program, may also be eligible under the RPS Main Tier. However, once an Incentive Application has been approved by NYSERDA under this CST Program, that project is ineligible for funding under the RPS Main Tier Program. Contractors will not be permitted to withdraw or cancel an approved Incentive Application, or seek to cancel a contract or award, in order to apply or pursue an application or proposal in the RPS Main Tier for the same project (or for the same portion of the project). Contractors are not permitted to submit Incentive Applications under both the NY-Sun Commercial/Industrial Program and PON 2112 (Residential/Small Commercial Program) for the same project (or for the same portion of the project). Nor are Contractors permitted to withdraw or cancel an Incentive Application, or seek to cancel a contract or award under the NY-Sun Commercial/Industrial Program in order to apply or pursue an Incentive Application under PON 2112 (Residential/Small Commercial Program) for the same project (or for the same portion of the project).

3 SYSTEM REQUIREMENTS

3.1 New Components

For all installations, the electrical output must be generated by new electric generation equipment that is electrically connected to the distribution grid after the date of the NYSERDA approved Incentive Application. The equipment must be new to the host site and must be newly-manufactured (must not be refurbished).

3.2 Qualified Solar Modules

All PV modules must be certified as meeting all applicable standards of the Institute of Electrical and Electronics Engineers (IEEE) and Underwriter's Laboratory (UL) 1703. The manufacturer is responsible for accurate updates which are used in the list in the Portal.

3.3 Inverters

All inverters must be certified as meeting all applicable standards of IEEE and UL, found on an approved list by the applicable IOU, and must be listed on the New York State Public Service Commission's certified equipment listings:

Equipment certified since 2011

[http://www3.dps.ny.gov/W/PSCWeb.nsf/96f0fec0b45a3c6485257688006a701a/dcf68efca391ad6085257687006f396b/\\$FILE/Current%20SIR%20Devices%201-15-2015.pdf](http://www3.dps.ny.gov/W/PSCWeb.nsf/96f0fec0b45a3c6485257688006a701a/dcf68efca391ad6085257687006f396b/$FILE/Current%20SIR%20Devices%201-15-2015.pdf)

Equipment certified prior to 2011

[http://www3.dps.ny.gov/W/PSCWeb.nsf/96f0fec0b45a3c6485257688006a701a/dcf68efca391ad6085257687006f396b/\\$FILE/Archived%20SIR%20Devices%202-3-2015.docx](http://www3.dps.ny.gov/W/PSCWeb.nsf/96f0fec0b45a3c6485257688006a701a/dcf68efca391ad6085257687006f396b/$FILE/Archived%20SIR%20Devices%202-3-2015.docx)

3.4 Metering and Data Acquisition for PV Installations

The Participating Contractor must provide, install, and maintain an internet enabled electric meter that displays instantaneous AC power and cumulative total AC energy production and, at a minimum, can record cumulative total AC energy production of the PV system on an hourly and time-stamped basis, store the hourly readings for at least 7 days, and can transmit recorded readings once per day to a NYSERDA designated Data Agent via e-mail, FTP, HTTP or Modbus TCP/IP. The meter must meet the American National Standards Institute (ANSI) C12.20, be Revenue grade with a +/- 0.2% accuracy, and be properly calibrated. The meter must also have battery backup to prevent the loss of data during power outages.

The Participating Contractor must provide, and maintain, an active internet connection to the meter throughout the Performance Period to support daily data transmissions. Data collected from the meter will be made available to the public at <http://chp.nyserdera.ny.gov> (NYSERDA Data Agent) or other similar website specified by NYSERDA, and will be used by NYSERDA to verify the Actual Energy Production which will inform the calculation of annual performance-based payments. It is the Participating Contractor's responsibility to assure that the meter and associated data storage, battery and communications are responsibly maintained and in good working order, and that data is successfully transmitted to the website during the Performance Period. Should any anomalous conditions or communications gaps occur, the Participating Contractor must remedy the problem immediately and inform NYSERDA within ten (10) business days or risk impacting performance-based payments.

Data transfer from the NYSERDA required meter to the NYSERDA website will be coordinated through the NYSERDA Designated Data Agent. Information on data transfer methods can be found here:

<http://dataint.cdhenegy.com/Documentation/Submitting%20Data.pdf>

3.5 Other Electrical Components

All other electrical components of each PV System, including, but not limited to, charge controllers, batteries, wiring, and metering equipment must be certified as meeting the requirements of all relevant national and New York State codes and standards.

3.6 Structural Requirements

The Participating Contractor is responsible for determining that a site or building is structurally able to support the addition of a PV system and that the installation of that PV system does not over stress the

structure and/or increase the dead load beyond acceptable limits as described in all relevant national and New York State codes and standards. Participating Contractors are encouraged to consult with a PE to assure that structural and site conditions are fully addressed.

3.7 Compliance with Laws and Codes

The Participating Contractor is responsible for ensuring that all approved PV projects, system components, and installations comply with any and all manufacturers' installation requirements, applicable laws, regulations, codes, licensing and permit requirements, including but not limited to, the New York State Environmental Quality Review Act (SEQRA), the New York State Building Code, the National Electric Code (NEC), New York State's Standard Interconnection Requirements (SIR), and all applicable state, city, town, or local ordinances or permit requirements.

4 INCENTIVE APPLICATION PROCESS

Participating Contractors will be provided access to the NYSERDA Portal. All Incentive Applications and required documents must be submitted electronically using the Portal. Incentive Applications can be submitted in either the **Project Maturity Track** or the **Application Security Track**. All Incentive Applications must include: (1) the application form for incentive funding (generated from information input into the Portal), and (2) the project specific documentation described in [Section 4.1](#) "General Application Requirements," (uploaded to the Portal). Each Incentive Application will also require additional documentation specific to the selected Incentive Application track. See [Sections 4.2](#) (Project Maturity) and [4.3](#) (Application Security). **All necessary documents must be uploaded to the NYSERDA Portal at the time of application for the Incentive Application to be submitted.** NYSERDA, at its discretion, may audit any and all documents related to Incentive Applications.

Should NYSERDA determine that information and/or attestations by the Contractor/Installer included in an application were false or intentionally misleading NYSERDA may reject the application, terminate any resulting award, and take such other action as NYSERDA may deem necessary and appropriate.

4.1 General Application Requirements

Data input into NYSERDA Portal generates the Incentive Application form and the NTE Incentive amount. In order for the Incentive Application to be considered complete, all of the documents described in this section plus the track-specific documents described in [Section 4.2 or 4.3](#) must be uploaded into the Portal at the time of application. **Incentive Applications missing any of the required documents will not be accepted.**

4.1.1 Aerial Photos of the PV Project Site

A site plan for the location of the PV system must be provided. This site plan must include an aerial photo of the PV project site and include the location of the proposed equipment and an indication of the point of interconnection to the existing or planned electrical service.

4.1.2 Electric Customer's Utility Bill(s)

The electric bill(s) must show the most current 12 month usage history for the host meter and all satellite meters, their location and service classification, and payment of the RPS surcharge, if applicable. When 12 months of past billing does not exist the Incentive Application must provide those months that do exist

along with supplemental calculations, verified by a PE, NYSERDA or IOU representative, that demonstrate the projected annual usage.

At the time of application submittal, a project submitted as a Community Distributed Generation project is not required to provide the utility bills for the membership.

4.1.3 Environmental Assessment

For all projects that include the installation of PV panels with total panel surface area exceeding 4,000 square feet, an environmental assessment form must be completed and the project must satisfy the New York State Environmental Quality Review Act (SEQRA). Information regarding SEQRA is available from the NYS Department of Environmental Conservation website at:

<http://www.dec.ny.gov/permits/357.html>.

It is the Participating Contractor's responsibility to identify all agencies involved or that may be an "interested party" in the SEQR process. The Participating Contractor must provide a signed Part 1 and, at a minimum, provide the "Notice of Intent to Declare Lead Agency" from the lead agency for the SEQR. Incomplete SEQR forms will not be accepted. You can find SEQR forms at:

<http://www.dec.ny.gov/permits/6191.html>.

4.1.4 Coastal Zone Determination

Incentive Applications must document if the PV project site is located in a New York State Coastal Boundary Area and/or Local Waterfront Revitalization Program Area. To identify if the PV project site is located in one or both of these areas, input the PV project site addresses into the NYS Department of State online GIS tool at http://appext20.dos.ny.gov/coastal_map_public/map.aspx/. A screen capture from this website showing the NYS Coastal Boundary Map and the PV project site location must be uploaded with the Incentive Application.

If the PV project site is located in a NYS Coastal Boundary Area or within a Local Waterfront Revitalization Program Area then a Coastal Assessment Form must be completed as part of SEQR. See <http://www.dec.ny.gov/permits/91704.html> If the lead agency for SEQR is not a state agency then NYSERDA must complete this form. If the PV project site is in a coastal boundary area and requires a federal permit or is receiving federal funding, then the Participating Contractor must file the Federal Consistency Assessment Form with the NYS Department of State. This form can be found at: http://www.dos.ny.gov/opd/programs/pdfs/Consistency/FCAF_fillable.pdf Should there be any other type of federal involvement, other than tax incentives, contact the Department of State Office of Planning and Development to determine if review is necessary

4.1.5 Assignments

Projects must indicate the entity that will receive incentive payments at the time of application. Incentives will be paid directly to the Participating Contractor that submits the incentive application, unless a separate entity is chosen in the NYSERDA portal.

The Participating Contractor may elect to have the incentive payments assigned to a separate party, once per incentive application, either at the time of application submission or at any time prior to payment of the Commercial Operation Invoice through a "Project Modification Request". When a separate party is selected for payment assignment, this entity will be instructed to register with NYSERDA as a payee for the project.

This option is strictly for directing payments; all duties, deliverables, and obligations under the PV Program Manual(s) and the NY-Sun Incentive Program Participation Agreement with respect to the project listed on the Incentive Application remain fully with the Participating Contractor.

If the Participating Contractor opts to assign the incentive payments, they must provide a W-9 form and ACH banking information for the payment assignee. In order to ensure the security of Personal, Private, and Sensitive Information, ACH Banking information cannot be collected electronically. Please note that NYSERDA cannot make payments to disregarded entities using ACH (unless the bank account uses the same Tax Identification Number listed on the W-9 provided). Payments to disregarded entities will be made by paper check that lists both the name of the disregarded entity and its owner. If the payment assignee is an individual (the W-9 lists a Social Security Number) then the W-9 form must also be sent to NYSERDA as a hardcopy. These forms can be found on the NY Sun website:

<http://www.nyserderda.ny.gov/All-Programs/Programs/NY-Sun/Project-Developers/Commercial-Industrial-MW-Block/Commercial-Industrial-MW-Block-Resources-Forms>. Completed forms must be sent to:

NYSERDA NY Sun Initiative
Attn: Commercial/Industrial Incentive Program
17 Columbia Circle, Albany, NY 12203.

If the payment assignee is a business (the W-9 lists a Tax Identification Number) then the W-9 form can be submitted electronically at the time of application.

The Participating Contractor must also provide an email address for the payment assignee. The payment assignee will be copied on all communications between NYSERDA and the Participating Contractor in relation to the PV project. If payment assignment is elected at the time of application submission, then the Participating Contractor, payment assignee, and host customer/project sponsor must sign an attestation on the incentive application form generated in the NYSERDA Portal acknowledging the terms and conditions of payment assignment and the signed project application form must be uploaded prior to application submission. If payment assignment is elected after application approval through a Project Modification Request, then the Participating Contractor, payment assignee, and host customer/project sponsor must sign a new incentive application form generated in the NYSERDA portal acknowledging the terms and conditions of payment assignment.

By electing a payment assignment, the Participating Contractor permanently relinquishes any right to the payment of incentives. A payment assignment can only be elected once per incentive application.

In order to change the payment assignee on an application that has already elected payment assignment the current Incentive Application must be cancelled and a new Incentive Application, to which the incentive level and all rules in effect at the time of the new Incentive Application applies, be submitted by/for the new entity.

4.2 Additional Application Requirements for Track One – Project Maturity

In addition to the documents listed in the General Application Requirements ([Section 4.1](#)), Incentive Applications under the Project Maturity Track must also provide:

1. An attestation, made on the application form generated by the NYSERDA Portal, confirming that there is a fully executed binding financial agreement with the electric customer to develop the PV project which includes a signed Addendum from <http://www.nyserderda.ny.gov/All-Programs/Programs/NY-Sun/Project-Developers/Commercial-Industrial-MW-Block/Commercial-Industrial-MW-Block-Resources-Forms>.

[Block/Commercial-Industrial-MW-Block-Resources-Forms](#) (this is not required for CDG projects), and

2. Interconnection application with completion of IOU preliminary review including determination of interconnection viability. This is described in Step 4 of the SIR application process. See page 7 of:
[http://www3.dps.ny.gov/W/PSCWeb.nsf/96f0fec0b45a3c6485257688006a701a/DCF68EFCa391ad6085257687006f396b/\\$FILE/ATTP59JL.pdf/Final%20SIR%202-1-14.pdf](http://www3.dps.ny.gov/W/PSCWeb.nsf/96f0fec0b45a3c6485257688006a701a/DCF68EFCa391ad6085257687006f396b/$FILE/ATTP59JL.pdf/Final%20SIR%202-1-14.pdf). If a Coordinated Electric System Interconnection Review (CESIR) is required, then the Incentive Application must also include confirmation from the IOU of receipt of payment to conduct the CESIR, and
3. An attestation, made on the application form generated by the NYSEDA Portal, that applications have been submitted for all required jurisdictional permits and approvals (unless a CESIR is required).

Incentive Applications missing any of the required documents will not be accepted.

4.2.1 Projects Requiring a CESIR:

If IOU response from Section 4.2, Item 2 indicates a CESIR is required, then **no later than 180 days from date of the NYSEDA approved Incentive Application**, the Participating Contractor must provide 1) an executed New York Standardized Contract for interconnection and 2) confirmation from the IOU of receipt of advance payment for the estimated interconnection costs per NYS Standardized Interconnection Requirements and Application Process and submit a *CESIR Milestones Form* which includes an attestation that applications have been submitted for all required jurisdictional permits and approvals. These items should be uploaded in the documents section of the specific application in the NYSEDA portal. If these items are not provided, then the incentive will be rescinded. This form can be found here: <http://www.nyserda.ny.gov/All-Programs/Programs/NY-Sun/Project-Developers/Commercial-Industrial-MW-Block/Commercial-Industrial-MW-Block-Resources-Forms>.

NYSEDA, at its discretion, may audit any and all documents related to Incentive Applications. If any of these documents are missing, incomplete, or inaccurate then the incentive will be rescinded.

4.3 Additional Application Requirements for Track Two – Application Security

In addition to the documents listed in the General Application Requirements ([Section 4.1](#)), Incentive Applications under the Application Security Track must also provide:

1. Interconnection application with completion of IOU preliminary review including determination of interconnection viability. This is described in Step 4 of the SIR application process. See page 7 of:
[http://www3.dps.ny.gov/W/PSCWeb.nsf/96f0fec0b45a3c6485257688006a701a/DCF68EFCa391ad6085257687006f396b/\\$FILE/ATTP59JL.pdf/Final%20SIR%202-1-14.pdf](http://www3.dps.ny.gov/W/PSCWeb.nsf/96f0fec0b45a3c6485257688006a701a/DCF68EFCa391ad6085257687006f396b/$FILE/ATTP59JL.pdf/Final%20SIR%202-1-14.pdf). If a CESIR is required then the CESIR cost estimate must also be provided, and
2. An attestation, made on the application form generated by the NYSEDA Portal, that the developer and electric customer have, at a minimum, executed a Letter of Intent to develop the PV project that includes all items listed in [Appendix A](#) of this document (this is not required for CDG projects), and

3. Application Security equal to \$35,000 for projects up to 750 kW, \$80,000 for projects greater than 750 kW up to 1,500 kW, and \$135,000 for projects greater than 1,500 kW. A copy of the financial instrument used for Application Security must be uploaded with the Incentive Application.
 - A. All Application Security amounts must be provided in the form of (a) certified funds, or (b) an irrevocable stand-by letter of credit payable to NYSERDA and drawn on an institution acceptable to NYSERDA. This instrument must be valid for a period of no less than two years from the date of submittal of the Incentive Application. See [Appendix B](#) for a sample letter of credit.
 - i. Original Application Security instruments must be delivered to NYSERDA NY Sun Initiative, Attn: Commercial/Industrial Incentive Program, 17 Columbia Circle, Albany, NY 12203.
 - ii. Application Security instruments must be received by NYSERDA no later than one (1) business day following Incentive Application submittal.
 - iii. Incentive Applications cannot be approved until Application Security instruments have been verified by the issuing institution.

If an Incentive Application under Track Two – Application Security is approved then:

- A. Amounts provided by the Participating Contractor as Application Security will be returned or refunded to the Participating Contractor by NYSERDA when the Participating Contractor provides NYSERDA with proof of project completion as outlined in [Section 6](#) “Project Completion” below, at a capacity in kW equal to or greater than the capacity included in the approved application.
- B. Amounts provided by the Participating Contractor as Application Security will be forfeited to and retained by NYSERDA if: (1) the Incentive Application is cancelled; or (2) if the PV system fails to be installed, interconnected, and in commercial operation within eighteen (18) months from the date of the NYSERDA approved Incentive Application.
- C. If the inspection report provided under [Section 7](#) indicates that the installed PV system in kW is less than the kW for the PV system on record in the NYSERDA Portal, the amounts provided by the Participating Contractor as Application Security will be returned in a proportionate amount equal to the kW on record in the NYSERDA Portal divided by the kW actually installed.

If an Application under Track Two – Application Security is not approved then amounts provided as Application Security will be returned to the Participating Contractor.

Incentive Applications missing any of the required documents will not be accepted.

4.3.1 Milestone Deliverables under Track Two – Application Security

Approved Incentive Applications under Track Two must provide all of the following within 9 months of the date of the NYSERDA approved Incentive Application otherwise the incentive will be rescinded and the amounts provided as Application Security will be retained in their entirety by NYSERDA:

1. An executed New York Standardized Contract for interconnection and, if required, confirmation of receipt from the IOU of advance payment for the estimated interconnection costs per NYS

Standardized Interconnection Requirements and Application Process.

2. A signed *Track Two Milestone Form*, found at <http://www.nyserdera.ny.gov/All-Programs/Programs/NY-Sun/Project-Developers/Commercial-Industrial-MW-Block/Commercial-Industrial-MW-Block-Resources-Forms>, which includes:
 - A. An attestation confirming that there is a fully executed binding financial agreement to develop the PV project with the electric customer(s) which includes a signed Addendum from <http://www.nyserdera.ny.gov/All-Programs/Programs/NY-Sun/Project-Developers/Commercial-Industrial-MW-Block/Commercial-Industrial-MW-Block-Resources-Forms> and
 - B. An attestation that applications have been submitted for all required jurisdictional permits and approvals.

These deliverables must be submitted through the NYSERDA Portal.

NYSERDA, at its discretion, may audit any and all documents related to Incentive Applications. If any of these documents are missing, incomplete, or inaccurate then the incentive will be rescinded.

4.4 Application Approval

Once an Incentive Application has been approved by NYSERDA, the Participating Contractor will receive an approval email and award letter through the NYSERDA portal, which will include the NTE Incentive amount. Total funding, regardless of the final system capacity, will not exceed the incentive amount identified at time of Incentive Application approval. Participating Contractors are responsible for sending a copy of the approval letter to the customer. If the Participating Contractor chose to assign incentive payments when the application was submitted then a copy of the approval letter will be sent to the payment assignee.

In instances where an Incentive Application has missing, incomplete or inaccurate documents, NYSERDA will not receive/accept the application and will contact the Participating Contractor requesting the missing information be uploaded directly to the NYSERDA Portal. The Participating Contractor will be contacted at the email address associated with their account and will have five (5) business days to respond, or the application will be cancelled. The Participating Contractor will have to submit a new incentive application.

Incentives are not reserved until an Incentive Application has achieved ‘Approved’ status in the NYSERDA Portal and an award letter has been received. Any Participating Contractor who moves forward with the installation of a project that has not achieved “Approved” status does so at their own financial risk, as there is no guarantee of incentives until the Incentive Application is “Approved.” Also, projects *completed* (see [Section 6](#)) prior to being *submitted* to NYSERDA are not eligible to receive incentives.

5 GUIDELINES FOR APPROVED APPLICATIONS

5.1 Changes to Approved Applications

5.1.1 System Size Changes

The final system size and components must be confirmed by the PV inspection report (see [Section 7](#)) before the Participating Contractor can submit an invoice to NYSERDA. If the system size in the inspection report, as described in [Section 7](#), does not match the system size in the NYSERDA Portal, NYSERDA will update the system size in Power Clerk to reflect the final system size in the Inspection Report. Changes resulting in an increase to system size will not result in additional incentive in excess of the current NTE Incentive. For a project modification request where the system size has decreased, when re-calculating the resulting NTE Incentive NYSERDA will continue to honor the original PBI rate (\$/kWh) calculated for the smaller system size. Total funding, regardless of the final system capacity, will not exceed the award amount identified at time of Incentive Application approval.

Any system changes can be submitted via a “Project Modification Request” in the NYSERDA portal

5.1.2 Project Cancellation

Any requests to cancel a project must be done so through the NYSERDA portal, by selecting “Request for Cancellation” within the specific project.

Should a project wish to move forward after cancellation, the Participating Contractor must submit a new Incentive Application in the NYSERDA Portal. In this case, the incentive level and all rules in effect at the time the new application is submitted will apply.

5.1.3 Site and/or Customer Substitutions

Site and/or customer substitutions are **not** allowed for projects reserving incentives under the NY-Sun Commercial/Industrial Program. If conditions arise where the customer and/or site from an approved Incentive Application are no longer viable, the project must be cancelled. If a Participating Contractor chooses to submit a new Incentive Application utilizing the customer or site from the cancelled project then the incentive level and all rules in effect at the time the new Incentive Application is submitted will apply.

Community Distributed Generation projects may substitute their membership in accordance with the applicable utility tariff and contractual agreement between the sponsor and the members.

5.2 Energy Assessment

Participating Contractors are required to conduct an ASHRAE Level 1 walkthrough analysis (<https://www.ashrae.org/resources--publications/bookstore/procedures-for-commercial-building-energy-audits>) or Energy Star Portfolio Manager benchmarking assessment (<https://www.energystar.gov/buildings/facility-owners-and-managers/existing-buildings/use-portfolio-manager>) for all approved Incentive Applications on the customer’s behalf. This assessment must include a summary of building systems including a description of all existing building systems for which the energy audit recommends energy efficiency improvements and a determination of the cost-effectiveness of the recommended energy efficiency measures related to electricity use. Customers are encouraged, but not required, to implement energy efficiency measures identified in the assessment. If the electric customer has an audit of similar scope conducted in the last four (4) years, this can be submitted in lieu of a new assessment.

Community Distributed Generation projects are required to provide an energy assessment as described above for all large Community DG members (non-residential members with electrical demand exceeding 25 kW) listed on the initial allocation request form submitted to the utility. Energy assessments are not

required for small Community DG members (residential members and non-residential members with electrical demand below 25 kW).

5.3 Reporting

Participating Contractors are required to provide progress reports for each PV project with an approved Incentive Application until the project is in commercial operation as defined in [Section 6](#), “Project Completion”. These reports are to be submitted twice a year, on or before the first Friday of May and the first Friday of October, at a minimum. Progress reports are required to use the progress report template: <http://www.nyscrda.ny.gov/All-Programs/Programs/NY-Sun/Project-Developers/Commercial-Industrial-MW-Block/Commercial-Industrial-MW-Block-Resources-Forms> . Participating Contractors are expected to submit additional progress reports when conditions arise that place the meeting of deadlines set forth in this program manual at risk.

Contractors are expected to upload their Progress Reports in a timely manner directly into the NYSERDA Portal using the following naming convention, “xx- xxx (Month-Year) Progress Report”

Failure to provide complete and timely progress reports can result in the incentive being rescinded.

5.4 Energy Efficiency Integration Incentive

To obtain the Energy Efficiency Integration Incentive, Participating Contractors must complete an energy audit within 120 days of the date of the NYSERDA approved Incentive Application. The audit must provide baseline information about the customer’s site including, at a minimum:

- A site description including: the site location, area in conditioned square feet (sq. ft.), energy and fuel consumption data including a summary of one year of utility bills for all electricity and other fuels consumed at the facility. This data should be aggregated to establish a baseline annual electric consumption (kWh), electric demand (kW) and fuel consumption (mmBtu) for the site. This information should also be used to calculate the baseline energy use intensity for the site in kBtu/sq. ft./year.
- A summary of building systems including a description of all existing building systems for which the energy audit recommends energy efficiency improvements.

The Participating Contractor must provide documentation that energy efficiency improvements (and/or other measures) identified in the audit have been installed and are operational on or before the commercial operation deadline applicable to the approved Incentive Application. This documentation must also show that the installation of these energy efficiency improvements has reduced the energy use intensity (kBtu/sq. ft./year) at the site by a minimum of 15% relative to the baseline established by the audit for a period of at least twelve consecutive months during the Performance Period. Participating Contractors should optimize the size of the PV system based on the known and expected operational parameters of the customer site, including reduced load requirements resulting from improved energy efficiency.

If a Participating Contractor implements audit-recommended energy efficiency improvements and the energy use intensity at the site is not reduced by 15% compared to the audit-identified baseline due to unforeseen and significant operational changes (e.g. increased hours of operation, occupancy, or manufacturing), NYSERDA may, at its sole discretion, provide the Energy Efficiency Integration Incentive to the Participating Contractor, provided that the Participating Contractor verifies that the

energy efficiency improvements implemented would have resulted in at least a 15% reduction in energy use intensity at the customer site, absent energy use increases caused by significant operational changes.

5.5 Energy Storage Integration Incentive

To be eligible to earn the Energy Storage Integration Incentive, the Participating Contractor must demonstrate that they have integrated an energy storage system into the PV System that provides a minimum of 250 kW of monthly peak demand reduction by no later than the end of the Performance Period. The Participating Contractor must include baseline information about the project site including, at a minimum:

- Minimum monthly utility metered energy data to establish a baseline of monthly peak electric demand (kW) and usage (kWh). Higher time resolution data is preferred (e.g., 30-minute interval metered data). Calculated PV system effect on project site monthly and annual electric demand. Demonstrated combined PV and Energy Storage (ES) system effect on project site monthly and annual electric demand.
- Calculated monthly demand factor for project site baseline before proposed PV/ES integration, after proposed PV installation, and after proposed PV/ES integration all based on monthly project site load profile.
- Description of all hardware and associated control systems for the PV/ES system integration.
- Description of hardware and control systems information which includes, at a minimum, energy storage component cycle life, proposed control parameters and planned discharge schedule, and estimated end of useable life of storage system in years.
- Specify how the proposed method of system integration will benefit the project site, including its planned minimum and maximum discharge duration and describe how the 250-kW monthly peak demand reduction will be achieved.

To be eligible to earn the Energy Storage Integration Incentive the Participating Contractor must provide documentation verifying that the above integration hardware and associated control systems are installed, interconnected, and operational and that the energy storage system integration has resulted in a minimum 250-kW monthly peak demand reduction. This reduction must be demonstrated for a period of at least twelve consecutive months during the Performance Period.

The Participating Contractor must optimize the design and size of the energy storage system based on the forecasted production of the integrated PV system and known or expected operational parameters of the facility. If a Participating Contractor successfully implements the PV/ES integration, and the customer proves unable to reduce their peak kW requirements by a minimum of 250 kW per month during a 12-month consecutive time period due to unforeseen and significant operational changes (e.g. increased/decreased hours of operation, occupancy, or manufacturing), NYSERDA may, at its sole discretion, provide the Energy Storage Integration Incentive in whole or in part, provided that the Participating Contractor verifies that the systems integration would have resulted in a minimum 250-kW monthly peak demand reduction at the customer site, absent unforeseen and significant operational changes.

6 PROJECT COMPLETION

Incentive Applications under either Track One or Track Two must be installed, interconnected, and in commercial operation no later than eighteen (18) months from the date of the NYSERDA approved

Incentive Application, otherwise the incentive will be rescinded and any amounts provided as Application Security will be retained in their entirety by NYSERDA. Proof of completion must include:

1. The data transfer has been completed with the NYSERDA Data Agent and the PV project is providing generation (meter) data to the website specified by NYSERDA (see [Section 3.4](#)), *and*
2. Inspection report verifying system size, operational status, and conformation with National Electric Code that has been conducted by a licensed professional engineer (PE) including the PE stamp (see [Section 7](#) for details) under the direction of the Contractor, *and*
3. A copy of either an official letter on the IOU letterhead or an email directly from an IOU representative providing approval for the photovoltaic system at the site address for operation and interconnection to the grid, *and*
4. Documentation that the energy assessment report, as described in [Section 5.2](#) has been provided to the customer, *and*
5. The notice of determination for SEQR, *and*
6. For CDG projects only, the initial allocation request form and confirmation of acceptance by the IOU.

6.1 Extension of the Deadline to Complete

A one-time project completion deadline extension of six (6) months will be approved if 1) the request is made prior to the 18 month completion deadline, 2) all required timelines and deliverables have been met, and 3) the Participating Contractor provides:

1. Proof of major equipment procurement in the form of copies of the bills of lading for all panels, inverters, and racking equipment necessary to complete the construction of the entire system accompanied by onsite photographs of this equipment. The bills of lading and photographs must demonstrate that this equipment was delivered to the project site. *and*
2. Extension security equal to \$50/kW of system size. A copy of the financial instrument used for Extension Security must be included with the extension request.
 - A. All Extension Security amounts must be provided in the form of (a) certified funds, or (b) an irrevocable stand-by letter of credit payable to NYSERDA and drawn on an institution acceptable to NYSERDA. This instrument must be valid for a period of no less than one year from the date of the request for an extension to the deadline to complete. See [Appendix B](#) for a sample letter of credit.
 - i. Extension Security instruments must be delivered to NYSERDA NY Sun Initiative, Attn: Commercial/Industrial Incentive Program, 17 Columbia Circle, Albany, NY 12203.
 - ii. Extension Security instruments must be received by NYSERDA no later than one (1) business day from request for extension to complete.
 - iii. The completion deadline extension is not granted until the Extension Security instrument has been verified by the issuing institution.

Project Extensions can be requested through the NYSERDA portal.

If a request for an extension to the deadline to complete is approved, then:

- A. Amounts provided by the Participating Contractor as Extension Security and Application Security (if applicable) will be returned or refunded to the Participating Contractor by NYSERDA when the Participating Contractor provides NYSERDA with proof of project completion as outlined in [Section 6](#) “Project Completion” no later than 24 months from the date of the NYSERDA approved Incentive Application.
- B. Amounts provided by the Participating Contractor as Extension Security and Application Security (if applicable) will be forfeited to and retained by NYSERDA if: (1) the Incentive Application is cancelled; or (2) if the Participating Contractor fails to demonstrate Project Completion in accordance with [Section 6](#) “Project Completion” within twenty-four (24) months from the date of the NYSERDA approved Incentive Application.
- C. If the inspection report provided under [Section 7](#) indicates that the installed PV system in kW is less than the kW for the PV system on record in the NYSERDA Portal, the amounts provided by the Participating Contractor as Extension Security and Application Security (if applicable) will be returned in a proportionate amount equal to the kW on record in the Portal divided by the kW actually installed.

If a request for an extension to the deadline to complete is not approved then amounts provided as Extension Security will be returned to the Participating Contractor. If a request for an extension to the deadline to complete is not approved and the Participating Contractor fails to demonstrate Project Completion in accordance with [Section 6](#) “Project Completion”, then the incentive will be rescinded and any amounts provided as Application Security will be retained by NYSERDA in their entirety, if applicable.

Projects that are at risk of not meeting their original completion deadline must communicate this to NYSERDA in a timely fashion, but in any case, no later than eighteen (18) months from NYSERDA approved Incentive Application.

6.2 Payment and Invoicing

The payment process is designed to encourage the installation of high performing systems. Payments for each PV project will consist of a combination of one payment at commercial operation and three performance-based payments. Project Invoice requests and any required deliverables can be submitted through the NYSERDA Portal.

6.2.1 Commercial Operation Payment

Participating Contractors are eligible to submit an invoice for the first incentive payment upon PV Project commercial operation as defined in [Section 6](#) “Project Completion”. Inspection by NYSERDA or NYSERDA’s agent may also be required prior to payment. If the final system size is different from the awarded system size, then a completed *CI-PV Change Request Form* must also be included with this invoice (see [Section 5.1.1](#)) This payment will be 25% of the Base Incentive and is calculated as follows:

Base Incentive (\$) x 25% = Commercial Operation Payment (\$)

If the Project Site is in a Strategic Location, the Base Incentive is multiplied by 1.20

All documents listed in Section 6, “Project Completion” must be included in the Project Invoice Request submitted through the NYSERDA Portal.

6.2.2 Performance-based Payments

Participating Contractors are eligible to submit an invoice for performance-based payments on an annual basis for three (3) consecutive years after commercial operation. For each year of the three-year Performance Period, the performance-based payment will equal 75% of the incentive (\$/kWh) identified in the approval letter multiplied by the Site Actual Annual Energy Production (kWh). Monthly energy production data for a period of twelve (12) months must be submitted annually with each performance-based payment request. This production data will be cross-checked against the data reporting to the NYSERDA website. Performance-based payments are calculated as follows:

365 days of PV System Production (kWh) x 75% x Base Incentive (\$/kWh) = Performance-based payment (\$)

If the Project Site is in a Strategic Location, the Base Incentive is multiplied by 1.20

Performance Payment Project Invoice Requests can also be submitted, with required deliverables through the NYSERDA Portal.

6.2.3 Integration Incentives

Participating Contractors are eligible to submit a project invoice request through the NYSERDA portal for the Energy Efficiency Integration Incentive no sooner than the end of the first year’s performance period and no later than the end of the three year performance period. The invoice must be accompanied by documentation that the installation of audit identified energy efficiency improvements have reduced the energy use intensity (kBtu/sq.ft./year) at the site by a minimum of 15% relative to the baseline established by the audit as detailed in [Section 5.4](#)

Participating Contractors are eligible to submit a project invoice request for the Battery Storage Integration Incentive no sooner than the end of the first year’s performance period and no later than the end of the three-year performance period through the NYSERDA Portal. The invoice must be accompanied by documentation that the energy storage system integration has resulted in a minimum 250 kW of load management, demand management, or improved load factor at the electric customer’s site as detailed in [Section 5.5](#)

The sum of the commercial operation payment, the performance-based payments, and integration incentives will not exceed the NTE Incentive identified at the time of Incentive Application approval.

7 QUALITY ASSURANCE AND COMPLIANCE

NYSERDA maintains the integrity of its NY-Sun Incentive Program through an independent Quality, Standards and Compliance (QSC) team which manages the quality assurance system for the NY-Sun

Incentive Program. The quality assurance (QA) system has several components including review of qualifications and credentials, paperwork audits, establishment of program standards and a comprehensive field inspection.

In order to verify system size and installation quality, every PV system receiving funding in the NY Sun Commercial/Industrial Program must have a PV system inspection report on file with NYSERDA prior to receiving the commercial operation payment. This report must be based upon a field inspection conducted after the PV system has been approved for interconnection by the IOU. The inspection report must include verification of PV system size and equipment, compliance with program requirements and NEC code, observations on the PV installation and any corrective actions required. This report must be reviewed and stamped by a licensed professional electrical or civil engineer. The PV system inspection report must use the *Field Inspection Report for PV Project* form provided at:

<http://www.nyserdanyny.gov/All-Programs/Programs/NY-Sun/Project-Developers/Commercial-Industrial-MW-Block/Commercial-Industrial-MW-Block-Resources-Forms>

NYSERDA, its technical contractor, or Data Agent will conduct random QA field inspections to verify the information provided in the PV system inspection report is accurate. Should NYSERDA decide to inspect the Project Site, NYSERDA, its technical contractor, or Data Agent may or may not contact the Participating Contractor to schedule the inspection; inspections may occur without advance notice to the Participating Contractor. If the inspection reveals activities different from that represented in the PV system inspection report, NYSERDA may refuse to make any payment.

NYSERDA QSC or its representatives may make a reasonable number of visits to the project site before, during and/or after installation of a PV System. If these visits reveal activities different from that represented in any of the required Incentive Application documentation or the PV system inspection report, NYSERDA may refuse to make any payment. NYSERDA may select any completed project at any point in the future for Field Inspection based upon customer complaints, warranty related issues or a review of the work done by a Participating Contractor.

8 LOGO

8.1 Use of Logo

NYSERDA has very strict policies with regard to the use of NYSERDA logos. There are very few companies that are eligible to use a version of NYSERDA's logo on their marketing materials. For these purposes, we have established three distinctive attribution marks: Sponsored by NYSERDA, Supported by NYSERDA, and an Independent Contractor to NYSERDA. These attribution marks are distributed by NYSERDA and are evaluated on an individual basis for their appropriateness.

The Sponsored by NYSERDA logo is specifically for events that NYSERDA has provided funding to sponsor. The Supported by NYSERDA is intended specifically for companies that have received a contract award from NYSERDA, and NYSERDA is funding specific research, development, or deployment of an energy efficient technology, or service. The Independent contractor logo is reserved for those contractors who have been tasked specifically with customer outreach on NYSERDA's behalf.

In the case of Solar Installers, ESCOs, participating builders, building contractors, and other organizations that have been qualified by NYSERDA, but not contracted, or funded by NYSERDA, it is not appropriate for them to use NYSERDA's logo on their organizations' website, or any marketing

materials including business cards.

In the future, should you have a need for NYSERDA's logo, you may request one at the following website: <http://www.nysesda.ny.gov/About/Doing-Business-with-NYSERDA>

APPENDICES

Appendix A

Required Items for Track Two Application Letter of Intent

In order for the Letter of Intent to be acceptable to NYSERDA it must be dated no later than 6 months prior to the incentive application, contain all of the items listed in this Appendix, and be signed by the Contractor, the electric customer, and the site owner (if applicable). Please note that all information provided in the Letter of Intent must be consistent with all the information provided in the incentive application in order for the incentive application to be approved by NYSERDA.

1. Date
2. Participating Contractor
3. Customer
4. Site Address
5. System Size (kW)
6. System type (ground mount, roof, mount, canopy, dual axis, etc)
7. Identify, at a minimum, the following members of the project team: Solar Developer, Equity Investment Partners, and EPC Contractors.
8. Statement that the system will be grid-connected, displace utility provided electricity, and that the IOU has completed a preliminary interconnection review.
9. If project is sited in a Strategic Location include a statement that the Strategic Location has been confirmed by the IOU.
10. Statement confirming that the customer and developer will provide proof of a fully executed binding agreement to develop and install this project, including the Addendum, within 9 months of the incentive application being approved by NYSERDA.
11. If one of the parties to this letter is not the owner of the project site, then the entity that owns the project site must also sign this letter of intent indicating that they are aware of the intention to construct a PV system at the project site.
12. A statement indicating that the conditions at the project site have been assessed and are such that site preparations customary in the solar industry will be sufficient to prepare the site for the PV system.
13. If the project is a roof mounted system, then this letter must include a statement indicating that a roof inspection has been conducted and that condition of the roof is acceptable to support the size and weight of the PV system. If the roof inspection reveals that repairs to the roof are necessary in order to support the size and weight of the system, then a statement must be included indicating that the developer and customer have received a cost estimate for the necessary roof repairs and that the installation of the PV project (including any roof repairs) can be completed within 18 months of the incentive application being approved by NYSERDA.

Appendix B
LETTER OF CREDIT

FORM OF IRREVOCABLE STANDBY LETTER OF CREDIT

IRREVOCABLE STANDBY LETTER OF CREDIT NO. _____

DATE: _____, 20__

BENEFICIARY:

THE NEW YORK STATE ENERGY RESEARCH AND DEVELOPMENT AUTHORITY
17 COLUMBIA CIRCLE, ALBANY, NEW YORK 12203-6399

LADIES AND GENTLEMEN:

BY THE ORDER OF:

[SELLER]

[SELLER'S ADDRESS]

WE HEREBY ISSUE OUR IRREVOCABLE CREDIT NO: _____ IN YOUR FAVOR FOR THE ACCOUNT OF _____ (THE "SELLER") FOR AN AMOUNT OR AMOUNTS NOT TO EXCEED IN THE AGGREGATE [STATE IN WORDS] U.S. DOLLARS AVAILABLE BY YOUR DRAFTS AT SIGHT ON [INSERT NAME AND ADDRESS OF ISSUING BANK], NEW YORK, NEW YORK, USA, WHEN ACCOMPANIED BY THE FOLLOWING DOCUMENTS:

1. YOUR SIGHT DRAFT DRAWN ON US IN THE FORM OF ANNEX A HERETO (THE "SIGHT DRAFT"); AND
2. A DATED PAYMENT CERTIFICATE PURPORTEDLY SIGNED BY A DULY AUTHORIZED OFFICER OF NYSEDA IN THE FORM OF ANNEX B HERETO (THE "PAYMENT CERTIFICATE").

MULTIPLE DRAWINGS ARE PERMITTED IN AMOUNTS NOT TO EXCEED, IN COMBINATION, THE AGGREGATE AMOUNT.

DEMANDS PRESENTED BY FACSIMILE (TO FACSIMILE NUMBER _____) ARE ACCEPTABLE; PROVIDED THAT IF ANY SUCH DEMAND IS PRESENTED BY FACSIMILE, THE ORIGINAL SIGHT DRAFT, STATEMENT, AND LETTER OF CREDIT SHALL BE SIMULTANEOUSLY FORWARDED BY OVERNIGHT COURIER SERVICE TO OUR OFFICE LOCATED AT THE ADDRESS STATED ABOVE; PROVIDED FURTHER THAT THE FAILURE OF THE COURIER SERVICE TO TIMELY DELIVER SHALL NOT AFFECT THE EFFICACY OF THE DEMAND.

FUNDS UNDER THIS LETTER OF CREDIT ARE AVAILABLE TO YOU AGAINST YOUR PAYMENT CERTIFICATE AND SIGHT DRAFT PRESENTED IN FULL COMPLIANCE WITH THE TERMS AND CONDITIONS OF THIS LETTER OF CREDIT ON OR BEFORE 5:00 P.M., NEW YORK TIME, ON THE EXPIRATION DATE HEREOF. THIS LETTER OF CREDIT WILL EXPIRE ON [INSERT DATE].

PAYMENT AGAINST CONFORMING DOCUMENTS PRESENTED UNDER THIS LETTER OF CREDIT SHALL BE MADE BY US AT OR BEFORE 2:00 P.M., NEW YORK TIME, ON THE NEXT (OR, IN THE CASE OF A PRESENTATION AFTER 10:30 A.M., NEW YORK TIME, THE SECOND NEXT) BANKING DAY AFTER PRESENTATION.

ALL PAYMENTS MADE BY US UNDER THIS LETTER OF CREDIT WILL BE MADE IN IMMEDIATELY AVAILABLE FUNDS AND WILL BE DISBURSED FROM OUR OWN FUNDS. IF REQUESTED BY YOU, PAYMENT UNDER THIS LETTER OF CREDIT MAY BE MADE BY WIRE TRANSFER OF FEDERAL RESERVE BANK OF NEW YORK FUNDS TO YOUR ACCOUNT IN A BANK ON THE FEDERAL RESERVE WIRE SYSTEM. BENEFICIARY'S BANK [INSERT NAME AND ACCOUNT NUMBER].

ONLY YOU MAY MAKE ANY PAYMENT CERTIFICATE AND SIGHT DRAFT UNDER THIS LETTER OF CREDIT.

ANY SIGHT DRAFT DRAWN HEREUNDER MUST BE MARKED "DRAWN UNDER [INSERT NAME AND ADDRESS OF ISSUING BANK], STANDBY LETTER OF CREDIT NUMBER _____ DATED _____."

ALL BANK CHARGES INCLUDING BUT NOT LIMITED TO, FEES OR COMMISSIONS, SHALL BE FOR APPLICANT'S ACCOUNT.

MISCELLANEOUS

THIS LETTER OF CREDIT SETS FORTH IN FULL THE TERMS OF OUR UNDERTAKING. SUCH UNDERTAKING SHALL NOT IN ANY WAY BE MODIFIED, AMENDED OR AMPLIFIED BY REFERENCE TO ANY DOCUMENT OR INSTRUMENT REFERRED TO HEREIN OR IN WHICH THIS LETTER OF CREDIT IS REFERRED OR TO WHICH IT RELATES (INCLUDING, WITHOUT LIMITATION, THE AGREEMENT) AND ANY SUCH REFERENCE SHALL NOT BE DEEMED TO INCORPORATE HEREIN BY REFERENCE ANY DOCUMENT OR INSTRUMENT.

WE HEREBY AGREE WITH YOU THAT EACH DULY COMPLETED PAYMENT CERTIFICATE AND SIGHT DRAFT DRAWN UNDER AND IN COMPLIANCE WITH THE TERMS OF THIS LETTER OF CREDIT WILL BE DULY HONORED UPON PRESENTATION TO US ON OR BEFORE THE EXPIRY DATE.. THE OBLIGATION OF [ISSUING BANK] UNDER THIS LETTER OF CREDIT IS THE INDIVIDUAL OBLIGATION OF [ISSUING BANK], AND IS IN NO WAY CONTINGENT UPON REIMBURSEMENT WITH RESPECT THERETO.

EXCEPT AS OTHERWISE EXPRESSLY STATED HEREIN, THIS LETTER OF CREDIT IS SUBJECT TO THE UNIFORM CUSTOMS AND PRACTICE FOR DOCUMENTARY CREDITS (1993 REVISION), INTERNATIONAL CHAMBER OF COMMERCE PUBLICATION 500 (PROVIDED, HOWEVER, THAT DRAWINGS PERMITTED HEREUNDER SHALL NOT BE DEEMED TO BE DRAWINGS BY INSTALLMENTS WITHIN ARTICLE 41 OF THE UCP) AND AS TO MATTERS NOT GOVERNED BY THE UCP, SHALL BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE LAWS OF THE STATE OF NEW YORK AND APPLICABLE U.S. FEDERAL LAW.

PLEASE ADDRESS ALL CORRESPONDENCE REGARDING THIS LETTER OF CREDIT TO THE ATTENTION OF OUR STANDBY LETTER OF CREDIT UNIT, GLOBAL TRADE SERVICE, MENTIONING OUR REFERENCE NUMBER AS IT APPEARS ABOVE.

[NAME AND ADDRESS OF ISSUING BANK]

AUTHORIZED SIGNATURE
OF OFFICER OF ISSUING BANK

Annex A to Appendix B - Irrevocable Standby Letter of Credit

SIGHT DRAFT

Letter of Credit No. _____

Date of Letter of Credit: _____

Date of Draft: _____

FOR VALUE RECEIVED

Pay on Demand to: THE NEW YORK STATE ENERGY RESEARCH AND DEVELOPMENT
AUTHORITY, U.S. _____ Dollars (U.S. \$ _____). The amount of
this draft does not exceed the amount available to be drawn by the Beneficiary under the Letter of Credit.

Charge to account of [Name of Seller].

Drawn under [Name of Bank] Letter of Credit No. _____.

To: [Issuing Bank]

[Address]

Attention: _____

As Beneficiary

By: _____
[Name and Title]

Annex B to Appendix B - Irrevocable Standby Letter of Credit

PAYMENT CERTIFICATE

To:
[Issuing Bank]
[Address]

Re: Irrevocable Standby Letter of Credit No: _____[Insert]

The undersigned, a duly authorized officer of the undersigned Beneficiary, hereby certifies to [Issuing Bank], with reference to the Irrevocable Standby Letter of Credit No: [Insert] (“Letter of Credit”), that Seller, having provided the Letter of Credit to the New York State Energy Research and Development Authority (“NYSERDA”) as Security for performance under NYSERDA Agreement No. _____ (“Agreement”) in the aggregate amount of \$ _____, (“Letter of Credit Amount”) either [check the appropriate space]:

_____ Seller failed to provide to NYSERDA, on or before <<insert date>> a signed and notarized attestation that confirms a current, valid, and binding financial agreement between the developer and customer.

_____ Seller failed to provide to NYSERDA, on or before <<insert date>> an executed New York Standardized Contract for interconnection and, if required, confirmation of receipt of advance payment for the utility’s estimated interconnection costs per NY State Standardized Interconnection Requirements and Application Process.

_____ Seller failed to provide to NYSERDA, on or before <<insert date>> proof of application for all jurisdictional permits.

_____ Seller failed to provide to NYSERDA, on or before <<insert date>>, an inspection report verifying system size, operational status, and conformation with NEC Code that has been conducted and stamped by a licensed professional engineer.

_____ Seller failed to provide to NYSERDA, on or before <<insert date>>, a copy of either an official letter on the Investor Owned Utility (IOU) letterhead or an email directly from an IOU representative providing approval for the photovoltaic system at the site address for operation and interconnection to the grid.

The terms used herein which are not specifically defined herein are defined in the Letter of Credit or the Agreement, referenced above.

IN WITNESS WHEREOF, the Beneficiary has executed and delivered this payment Certificate as of the _____ day of _____.

As Beneficiary

By: _____
[Name and Title]

NYSERDA, a public benefit corporation, offers objective information and analysis, innovative programs, technical expertise, and support to help New Yorkers increase energy efficiency, save money, use renewable energy, and reduce reliance on fossil fuels. NYSERDA professionals work to protect the environment and create clean-energy jobs. NYSERDA has been developing partnerships to advance innovative energy solutions in New York State since 1975.

To learn more about NYSERDA's programs and funding opportunities, visit nyserda.ny.gov or follow us on Twitter, Facebook, YouTube, or Instagram.

**New York State
Energy Research and
Development Authority**

17 Columbia Circle
Albany, NY 12203-6399

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local: 518-862-1090

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info@nyserda.ny.gov

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State of New York
Andrew M. Cuomo, Governor

New York State Energy Research and Development Authority
Richard L. Kauffman, Chair | John B. Rhodes, President and CEO