



Inclusive Community Solar Adder

NY-Sun

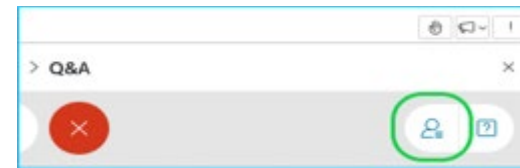
March 14, 2023



NYSERDA

Meeting Procedures

- > **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 remain muted during the webinar
 - Questions and comments may be submitted in writing using 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 (dylan.cunningham@nyserda.ny.gov)

Stakeholder Feedback Process

- > **Community Adder will be released before ICSA**
- > **Review the Proposed Round 2 Program Design Document**
 - Emailed from Solar Announcements today at 9:55 a.m.
 - Subject Line: *Today: Inclusive Community Solar Adder Webinar & Proposed Program Design Released*
 - Will be posted on NY-Sun's [Inclusive Community Solar Adder](#) page by the end of the week
- > **NYSERDA will accept stakeholder feedback in two ways**
 - Written feedback
 - Email communitysolar@nyserda.ny.gov with the subject line: *Spring 2023 ICSA Round 2 Feedback: Organization Name*
 - All emails must be sent by April 11 at 3 p.m. ET
 - Phone call
 - NYSERDA will be available to take feedback via phone between March 29 and April 5
 - Email Dylan Cunningham (dylan.cunningham@nyserda.ny.gov) at least 72 hours in advance of the desired time to schedule a 30-minute call

Agenda

> **Round 2 Program Design**

- Inflation Reduction Act
- Incentive Rates
- Community Benefit Projects
- Allowed Eligible Subscribers
- ICSA Application Process
- ICSA Funding Amount/Structure
- ICSA Invoicing Process
- Long Term Subscriber Requirements

> **Next Steps/Stakeholder Feedback**

*Program Rules that did not change between Version 1 and Version 2.0 are in the Appendix

Round 2 Program Design Changes

Inflation Reduction Act

With the recent passage of the Inflation Reduction Act (IRA), NYSERDA must consider how the federal funds can be maximally leveraged to benefit New York's underserved communities and the level of public funding a project receives is commensurate with the benefits it provides to customers.

NYSERDA Response

- > For projects that are awarded the Inclusive Community Solar Adder:
 - NYSERDA reserves the right to adjust or cancel the ICSA award if the associated project receives additional federal Investment Tax Credits (Bonus ITC) under sections 48(e) and 48E(h) of the Inflation Reduction Act of 2022, also known as the "Special Programs for Certain Facilities Placed in Service in Connection with Low-income Communities".
 - Project owners are encouraged to apply for the Bonus ITC, and submittal of an application for Bonus ITC that does not result in a project receiving the additional Investment Tax Credits will not trigger an adjustment to the ICSA award.
 - The project owner must inform NYSERDA when the project receives an allocation of Bonus ITC.
 - NYSERDA intends to add further details to this section as additional federal guidance is released.

Incentive Levels: Upstate CDG Projects

Project Type	Adder \$/Watt	Initial Adder Capacity Block
<ul style="list-style-type: none"> > Upstate CDG project > Received MW Block and/or Community Adder > Guaranteed discount of 10% > ≥50% of ICSA capacity filled with Eligible Residential Subscribers 	\$0.10	860 MW
<ul style="list-style-type: none"> > Upstate CDG project > Received Phase One NEM, the Market Transition Credit, or the Community Credit > Guaranteed discount of 10% > ≥50% of ICSA capacity filled with Eligible Residential Subscribers 	\$0.05	

NYSERDA Response

- > Moving forward with the adder amounts.
- > NYSERDA may make adjustments if a project receives the Bonus ITC. NYSERDA will add further details as additional federal guidance is released.

Incentive Levels: Upstate Community Benefit Projects

Project Type	Adder \$/Watt
<ul style="list-style-type: none"> > Upstate CDG project that received MW Block and/or Community Adder > ≥50% of ICSA capacity filled with Eligible Residential Subscribers > Guaranteed Discount of 20% > Achieves all the requirements to qualify as a <i>Community Benefits Project</i> 	\$0.20
<ul style="list-style-type: none"> > Upstate CDG project that received Phase One NEM, the Market Transition Credit, or the Community Credit > ≥50% of ICSA capacity filled with Eligible Residential Subscribers > Guaranteed Discount of 20% > Achieves all the requirements to qualify as a <i>Community Benefits Project</i> 	\$0.15

NYSERDA Response

- > Moving forward with the adder amounts for Community Benefit Projects. NYSERDA may make adjustments if a project receives the Bonus ITC. NYSERDA will add further details as additional federal guidance is released.
- > Capacity will be drawn from the 860 MW block listed in the previous slide.

Incentive Level: ConEd CDG Projects

Project Type	Adder \$/Watt	Initial Adder Capacity Block
<ul style="list-style-type: none"> > Con Edison CDG Project > Guaranteed Discount of 15% > ≥50% of ICSA capacity filled with Eligible Residential Subscribers 	\$0.30	100 MW

Incentive Level: ConEd Community Benefit Projects

Project Type	Adder \$/Watt
<ul style="list-style-type: none"> > Con Edison CDG Project > Guaranteed Discount of 20% > ≥50% of ICSA capacity filled with Eligible Residential Subscribers > Achieves all the requirements to qualify as a <i>Community Benefits Project</i> 	\$0.40

NYSERDA Response

- > Moving forward with the adder amounts. NYSERDA may make adjustments if a project receives the Bonus ITC. NYSERDA will add further details as additional federal guidance is released.
- > ConEd Community Benefit Project capacity will be drawn from the 100 MW block.

Additional Feedback Requested

- > Please provide feedback on the suggested incentive rates and required discount. If you suggest a change, please provide justification for that adjustment. Quantitative analysis backing up that justification always makes for a stronger argument.

Community Benefit Projects

To be designated as a Community Benefit Project, a Project must provide a 20% bill discount and meet at least 3 of the 5 additional criteria.

NYSERDA Response

- > Based on stakeholder feedback, NYSERDA will provide greater flexibility on the bill discount for projects that are more robustly serving DACs by meeting all criteria for Community Benefit Projects.
- > Community Benefit Projects can either provide:
 - a 20% bill discount to all eligible subscribers and meet at least 3 of the following criteria or
 - provide a 15% bill discount and meet all five of the criteria on the next slide

Community Benefit Projects

- > **There is an expanded definition of a close partnership with details on how to demonstrate that relationship.**
- > **Workforce training and hiring commitments can be counted towards Community Benefit Project designation, and there is a clear process on how to demonstrate those commitments. Community-based or participant ownership models can be counted towards Community Benefit Project designation.**
- > **A dedicated strategy to target individuals in DACs with Limited English Proficiency can be counted towards Community Benefit Project designation.**
- > **A project sited within a DAC that will only serve the surrounding community can be counted towards Community Benefit Project designation.**

NYSERDA Response

- > Moving forward with the proposed design.
- > We received questions on how to define a close relationship with a community partner – we provided greater clarification in Version 2.0.

Additional Feedback Requested

- > We received feedback that NYSERDA count workforce activities beyond what we deemed as eligible. Please shared further detail on what those activities are and how participation and impact can be verified.

Eligible Subscribers

For Categorical Eligibility, projects can use the Affordable Solar document retention process if they would prefer not to collect and store this documentation themselves.

NYSERDA Response

- > Moving forward with the proposed design. Projects mentioned it might be cumbersome but it is only offered as **an alternative** for companies that don't want to store documentation in house.

Additional Feedback Requested

- > Share other types of categorical eligibility that are currently **not acceptable** that NYSERDA should consider. Indicate what other programs (other states/utilities/federal) that accept that documentation.

Eligible Subscribers

- > **Geo-eligibility: residence in a Disadvantaged Community as defined by the Disadvantaged Communities Criteria (DAC) criteria.**
- > **Projects can use the Final DAC criteria for geo-eligibility after it is finalized and released by the Climate Justice Working Group without obtaining self-attestation from a customer. Upon adoption of the final DAC criteria, NYSERDA may make additional adjustments to the program rules as needed.**

NYSERDA Response

- > Moving forward with this proposed design.

Eligible Subscribers

**Affordable Housing
Property Eligibility:
Updated guidance on
eligibility.**

NYSERDA Response

- > Updated the rules to provide further guidance on what types of affordable housing properties are eligible, including the allowed documentation and the **level of detail** required for that documentation.

Additional Feedback Requested

- > Provide feedback if there is additional guidance that would be helpful.

Eligible Subscribers

**Master-Metered Affordable
Housing Property
Eligibility: Updated process
for qualifying properties
that are rent regulated.**

NYSERDA Response

- > Moving forward with this proposed design.

Additional Feedback Requested

- > Provide feedback if the guidance laid out is sufficient and what other guidance may be helpful.

Applying for the ICOSA

Contractual agreement between the primary contractor account and the subscription provider confirming they are working together.

NYSERDA Response

- > Moving forward with this proposed design.
- > We heard concerns from some commentors on providing this information to NYSERDA.

Additional Feedback Requested

- > Provide feedback on another method to confirm an existing contractual relationship and maturity in acquisition planning.

Applying for the ICOSA

Customer experience demonstration: A video screen-capture of the journey that a customer experiences as they sign up for the community solar product. NYSERDA may request a dummy log-in to experience the customer sign-up process if the video does not sufficiently capture the experience.

NYSERDA Response

- > Moving forward with the proposed design.
- > NYSERDA received feedback about the difficulty of providing this information. It is important that NYSERDA see what the customer experience is to ensure the information is provided to them in a clear manner. This only needs to be provided as part of a primary application.

Applying for the ICSA

NYSERDA proposed that customer acquisition strategies that use door-to-door sales are not allowed for ICSA-funded projects.

NYSERDA Response

- > Customer acquisition strategies will be allowed to use door-to-door sales if the following criteria are met. This information must be described and shared at the time of the application.
 - Contractor is in good standing with DPS
 - The project's customer acquisition team has a system in place that will easily identify which of their contractors and/or sales associates are in the field at what time, so that it will be possible to determine responsibility in the event of a substantiated customer complaint
 - A signature is collected from the customer when the customer elects to sign up for the community solar project
 - A record of the customer signature from online or paper sign up must be stored for at least five years

*Continues on next slide.

Applying for the ICSA (continued)

NYSERDA proposed that customer acquisition strategies that use door-to-door sales are not allowed for ICSA-funded projects.

NYSERDA Response (continued)

- > If a customer signs up via door-to-door or over the phone, the project's customer acquisition team is required to call the customer after the interaction and get verbal confirmation from the customer of their interest in signing up for the community solar product.
 - The recording of the post-signup confirmation call must be stored for at least five years.
- > Contractor must list all the subcontractors that are working in the field for the ICSA. If those contractors change, those updates must be submitted to NYSERDA before the new subcontractor begins working in the field.
- > **Failure to adhere to these requirement(s) may result in NYSERDA rescinding the award or rejecting invoice(s).**

Applying for the ICSA

Project Changes: A contractor is required to notify NYSERDA if specific changes occur after the Primary or Subsequent Application is approved.

NYSERDA Response

- > Greater clarity on what specific changes NYSERDA needs to be made aware of and the process on how to notify NYSERDA of those changes.
 - Change in the acquisition provider.
 - Change in the subscription manager.
 - Changes to the terms of the customer subscription contract or the CDG Disclosure Form.
 - The outreach strategy changes from what was listed in the application.
 - The Eligible Subscriber Target mix differs from what was listed in the application.

Applying for the ICSA

Round 1 Projects can use Round 2 Criteria

NYSERDA Response

- > ICSA Round 1 Projects are permitted to use the Round 2 Eligible Subscriber Criteria (i.e., the Round 2 rules around qualifying residential, nonresidential, and affordable housing subscribers) provided they agree to the following additional terms for their Round 1 awards.
 - Compliance with the additional criteria required to perform door to door sales.
 - Adherence to the requirements of long-term subscriber make-up.
 - Adherence to any adjustments that Round 2 Projects are subject to if they receive Bonus ITC.

- > Round 1 Projects interested in opting into the Round 2 Eligible Subscriber Criteria will be required to submit an Opt-in Request for NYSERDA's consideration and approval prior to submitting their first invoice.

ICSA Funding Amount

- > **Each approved ICSA application will be contracted with a 40-60% Eligible Subscriber Target. The funding amount included in the ICSA award letter will be calculated as the ICSA incentive rate * 60% of the CDG project's total capacity.**
- > **Contracted Projects that allocate more than 60% of their project capacity to Eligible Subscribers are eligible to receive additional funds at the ICSA rate for the applicable project type for that additional capacity, pending fund availability.**

NYSERDA Response

- > Move forward with this proposed design.
- > NYSERDA heard feedback from providers expressing concern about only being awarded 60% of the capacity, versus a higher projected amount.
- > NYSERDA will develop a dashboard that will clearly show how much money is available for projects that allocate >60% to ICSA.

ICSA Invoicing Process

Subscriber Documentation (Subscriber Submission Template, Allocation Form, Host Summary Report, and other relevant verification documentation) are submitted concurrently with requests for payment.

NYSERDA Response

- > Projects will now be required to have their subscriber documentation approved **prior** to submitting invoices. Subscriber documentation will be submitted through the NYSERDA Portal.
- > Allows projects greater flexibility when submitting documentation.

Additional Feedback Requested

- > Provide feedback on the new deliverables and invoice submission process.

Long-Term Subscriber Composition

- > **Contractors are required to ensure that a project receiving the Inclusive Community Solar Adder maintain the same percentage of income eligible households and the same bill discount rate for at least 25 years. Contractors must submit proof that the project still contains ICOSA-eligible subscribers upon request.**
- > **If a project is reconfigured so that it no longer qualifies as an ICOSA project, NYSERDA will require a return of the ICOSA incentive funding from the Contractor, calculated based on the pro-rata share of a 25-year term over which the project was not an ICOSA-eligible project.**

NYSERDA Response

- > Greater clarity and detail on this section.
- > Contractors are required to ensure that a project receiving the Inclusive Community Solar Adder maintains the same or greater percentage of ICOSA-eligible customers as documented in the project's Milestone 3 submittals, and the same bill discount rate for those customers, for at least 25 years.
- > Contractors must submit documentation that the project still contains ICOSA-eligible subscribers upon request within 45 days of a request from NYSERDA. This documentation must take the form of the milestone documentation required for invoicing for the most recent allocation cycle.
- > Projects that choose to reconfigure so that they no longer qualify for the ICOSA will require a return of the ICOSA incentive funding from Contractor or their successor, calculated based on a pro-rata share of a 25-year term over which the project was not an ICOSA-eligible project. Projects may be penalized if they reconfigure without notifying NYSERDA.

Stakeholder Feedback

Next Steps

- > **NYSERDA will accept stakeholder feedback in two ways**
 - Written feedback
 - Email communitysolar@nyserda.ny.gov with the subject line: *Spring 2023 ICSA Round 2 Feedback: Organization Name*
 - All emails must be sent by April 11 at 3 p.m. ET
 - Phone call
 - NYSERDA will be available to take feedback via phone between March 29 and April 5
 - Email Dylan Cunningham (dylan.cunningham@nyserda.ny.gov) at least 72 hours in advance of the desired time to schedule a 30-minute call

- > **The Community Adder will be released before ICSA. More details forthcoming.**

Thank you!
Questions?

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

Appendix

Project Eligibility

Dedicate no less than 40% of the project capacity (Watt dc) to eligible subscribers.

NYSERDA Response

- > Moving forward with the proposed design.

Project Eligibility

Dedicate no less than 50% of ICSA portion of the project capacity (Watt dc) to eligible residential subscribers.

NYSERDA Response

- > Moving forward with the proposed design.

Community Benefit Projects

The Environmental Justice Added Incentive from Round 1 has been reconceived. It is now a new incentive level for Community Benefit Projects that is available for both Upstate and Downstate projects.

NYSERDA Response

- > Moving forward with proposed design.

Eligible Subscribers

Public Schools: Accounts serving existing public school buildings across New York State that are designated eligible for [PON 4924: P-12 Schools – Clean Green Schools Initiative](#).

NYSERDA Response

- > Moving forward with the proposed design.

Applying for the ICSA

The Portfolio Submission
process.

NYSERDA Response

- > Moving forward with the proposed design.

Applying for the ICSA

Subsequent Application Attestation

NYSERDA Response

- > Moving forward with the proposed design.

Applying for the ICOSA

The actual Community Distributed Generation Disclosure Form and actual residential subscriber contract a customer will be subject to must be submitted with every ICOSA application.

NYSERDA Response

- > Moving forward with the proposed design.

Applying for the ICOSA

A list of all the projects (including the NY-Sun application number, their site address, KW capacity, and utility) that will be submitted subsequently as part of this portfolio.

NYSERDA Response

- > Moving forward with the proposed design.

Payment Process

Minimum Requirements: If the minimum requirements are not met at Commercial Operation, the ICOSA award will be cancelled, and the Contractor will not be able to invoice for future payments for that project.

NYSERDA Response

- > Moving forward with the proposed design.