Stakeholder Meeting – October 8, 2014 MW Block Framework for NY-Sun Performance-Based (>200 kW)

Meeting Agenda

- Welcome and brief summary of prior meeting (prior meeting available at: http://ny-sun.ny.gov/Get-Solar/Commercial-and-Industrial.aspx), process issues, upcoming meetings
- Discussion re: K-Solar and Community Solar roles, benefits & relationship to NY-Sun programs providing project incentives
- Discussion re: NYSERDA net metering study
- Open discussion items from 1st Stakeholder meeting
- Feedback/discussion re: follow-up questions posed
- Presentation of data on program trend lines (total project costs, % represented by incentives, etc.)
- Identify Agenda items for next meeting

Open discussion items from prior meeting

- 1. Project maturity at the time of application.
 - a. NYSERDA proposed including utility interconnection approval, all required jurisdictional permits, and signed contract with customer (and payment for CESIR, if applicable).
 - b. Stakeholders agreed with the need for project maturity but were generally uncomfortable with requiring approved jurisdictional permits prior to application
 - c. A two-track project maturity process was proposed

For Discussion: NYSERDA is trying to develop application criteria to ensure projects that reserve incentive have a high likelihood of timely completion. In your experience, where in the project development process do you discover issues that stall or kill the project? Recognizing that some problems are out of the control of the project developer, what do you do differently now to avoid these surprises when developing projects? How can these "lessons learned" inform the MW Block application requirements?

- 2. Financial security and project completion timelines
 - a. NYSERDA proposed a strict one-year project completion deadline with one sixmonth extension granted only if accompanied by financial security commensurate with the size of the project, 15-25% of incentive with security forfeited for non-performance except in defined force majeure(to be defined).
 - b. Stakeholders had varying opinions on what is the optimal project completion deadline and how to handle extensions

For Discussion: NYSERDA plans to establish a realistic project completion timeframe based on: a) project maturity at time of application, and b) actively engaged project development. This c/should translate to reduced administrative burdens for monitoring/reporting project progress and presenting/evaluating extension requests. Assuming project maturity that includes: 1) signed contract with customer; 2) preliminary interconnect application/approval and payment for CESIR, if applicable; 3) all required jurisdictional permits applied for; what:

- are your typical timeframes for project completion?
- are your variances based on project size or other factors?
- are the shortest and longest project completion timeframes you have seen?
- is your suggested timeframe for project completion?

For Discussion: What are the financial security mechanisms that the market has seen in other jurisdictions? Are the markets similar to NYS? How has that process worked? Is the amount of financial security proposed appropriate? If not, what is suggested alternative and the rationale for it?

<u>Questions for Stakeholders to consider prior to Stakeholder Meeting (responses</u> <u>welcome in writing prior to or after stakeholder meeting)</u>

- 1. Do you expect your company's PV market development in NYS to grow at a similar level (e.g. MWs under contract year to year in 2014 to 2015 and forward) to what you accomplished in 2013 to 2014? If not, what changes do you anticipate and why?
- 2. Are there ways that NYSERDA can encourage project development that has the highest benefit to the grid beyond the strategic location incentive, evolving the market to be REV-ready?
- 3. Have your company and its customers explored or developed projects that integrate trackers, EE, storage or other value-added options? Are there other innovations or value-added options that we should be aware of? Do you expect and plan for relatively consistent levels of market activity or growth with these innovations and value-added options on a year to year basis moving forward? If growth, what extent of growth are you planning for and why?