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Brussels, 19 March 2009

Comments on the February 25th draft of the "Operating Plan for Investments in New York under the CO2 Budget Trading Program and the CO2 Allowance Auction Program"

Dear Sirs

The European Solar Thermal Industry Federation (ESTIF) applauds New York State for your groundbreaking Regional Greenhouse Gas Initiative (RGGI), the United State's first carbon cap and trade system.

We are also very pleased with your outstanding work in preparing the February 25, 2009 Draft "Operating Plan for Investments in New York under the CO_2 Budget Trading Program and the CO_2 Allowance Auction Program" – and especially excited to see solar thermal technologies included in the draft plan.

ESTIF's mission is "...to achieve high priority and acceptance for solar thermal as a key element for sustainable heating and cooling, and... to work for the implementation of all necessary steps to realize the high potential of solar thermal". ESTIF is composed of about 100 members throughout Europe. Together, we have built the solar thermal market to more than half a million installations per year, with annual energy savings of 14 TWh, and contributing over USD 4 Billion in economic activity in more than 15 European countries.

ESTIF has long believed in the potential of the United States to join the worldwide movement in recognizing that solar thermal technologies provide a cost-effective means to achieve long-lasting energy, environmental, economic, and societal benefits.



ESTIF offers to support New York learn create proven public policies and implementation plans that can achieve ambitious solar thermal market development goals.

We believe that there are 3 steps that the RGGI Operating Plan can take to move New York from its current ~500 installations per year to tens of thousands – thereby replicating some of the experiences in EU countries. Specifically, ESTIF recommends that New York considers:

- 1. Providing \$9 million (\$3 million a year for 3 years) to a statewide Solar Thermal Campaign modeled on the successful German "Solar na klar!" (Solar is the Clear Choice) and the French "Plan Soleil". The German campaign increased solar thermal installations to more than 140,000 systems per year, resulting in over 18,000 jobs and over \$1.6 Billion in annual economic activity. "Plan Soleil" followed the same Solar Thermal Roadmap to exponentially increase French solar thermal installations from ~500 to more than 20,000 per year. This campaign model involves all stakeholders in preparing a central message; gives the public access to solar thermal information from a central website, toll-free number, and common print materials; and creates the basis for transforming solar thermal into a "hot and appealing" issue and product.
- 2. Increase Solar Thermal funding. Throughout Europe, solar thermal is recognized as the lower cost mechanism for achieving carbon dioxide savings compared to its cousin, Photovoltaics (PV). While clearly our society should promote and invest in PV, to achieve the increasing necessary carbon reduction goals necessitates that we invest as much or more in the most cost-effective technologies. In Europe, we have seen that the effective promotion and adoption of solar thermal leads to a broader public acceptance of all solar technologies, including PV. Promoting cost-effective solar thermal solutions provide the public base for the eventual electric transition as PV becomes less costly and sustainable without current massive subsidies.
- 3. Supplement PUBLIC TRAINING PROGRAMS with PRIVATE CERTIFICATIONS by Solar Thermal Manufacturers. Public training programs provide long-term expertise that is critical to the sustained development of the industry, and we were pleased to see RGGI put forward a goal of training 700 solar thermal technicians. However, the private sector has the ability to more quickly train and mobilize their existing distribution and installation channels, thereby helping to create the jobs that the publicly trained professionals need. NYS should consider allowing manufacturers to participate in statewide incentive and marketing campaigns in return for



manufacturer training of the installers of their products, including quality standards that are maintained through 5 year manufacturer system warranties.

4. Accept the European Solar Keymark standard. The European Solar Keymark, which certifies conformity of a solar thermal product with the underlying European Standards (EN 12975 for collectors and EN 12976 for factory made systems) has existed in the market for longer than the Solar Rating Certification Corporation (SRCC)'s certification scheme. If New York allowed the Solar Keymark for its programs, proven European products – that now have to wait up to 2 years to receive a technically less demanding SRCC rating – will be able to enter the NY market. This will provide better quality and more diverse products, as well as increased competition and more solar thermal private investments in New York marketing, sales, workforce development training and manufacturing.

In summary, ESTIF stands ready to assist RGGI and other stakeholders build a vibrant, self-sustaining solar thermal industry in New York State.

Sunny regards

Olivier Drücke ESTIF President