

New York's 10 GW Distributed Solar Roadmap: Policy Options for Continued Growth in Distributed Solar Frequently Asked Questions

Version 1.0, released February 25, 2022

In the event of any discrepancies between the FAQs and the Program Manuals, the Program Manuals will be the governing document. The FAQs may be updated periodically.

The Roadmap is available to read on the [Department of Public Service's website](#) (Case Number: 21-E-0629). The deadline to [file public comments](#) on the Roadmap is Monday, March 7, 2022.

1. Proposed MW Block Program Design & Incentives

#	Question	Answer
1	Which incentives are in alternating current (AC) and which are in direct current (DC)?	Units for all incentives are in \$/Watt-DC.
2	Can you provide more information on the allocation of Community Adder funds being 70% of the MW Block? How did you come up with that number?	As proposed, 70% of the C/I projects that would be supported as part of the Incremental 4 GW Target would be Community Solar, with the remaining 30% targeted to be Remote Crediting or behind-the-meter projects. The proposed allocation is based on the desire to continue prioritizing Community Solar given its ability to provide benefits for residential off-takers that cannot install solar on-site, including low- and moderate income households and disadvantaged community households, as well as potential constraints on the non-residential off-taker market for Remote Crediting, particularly in the Upstate region.
3	Is there a plan for additional incentives after the initial 800 MW Block is fully allocated? How will the subsequent blocks be priced and sized? How much notice will be given before a new block is announced?	The Roadmap proposes a total target allocation of 2,943 MW for Upstate C/I projects to be supported as part of the Incremental 4 GW Target, of which the proposed 800 MW block would be the initial base incentive block. Subsequent block sizes and corresponding incentive levels would be based on a number of factors that influence project economics whose values are difficult to predict in advance, including component pricing, federal import and ITC policy, and interest rates. NYSERDA will endeavor to provide as much visibility into future block sizes and incentive levels as is feasible.
4	Can multiple incentive adders be stacked for projects?	Please see the NY-Sun Program Manual for current rules regarding "stacking" of adders, which varies

		depending on the project and adder type. The Roadmap does not propose any changes to Adder stacking or eligibility.
5	Can we cancel our NY-Sun award and reapply for the higher incentives? In other words, can we move forward with our project and opt into the new program changes once they are implemented?	On page 76, the Roadmap proposes that “Con Edison Nonresidential projects that apply to the NY-Sun program subsequent to the filing of this Roadmap, as well as Con Edison Nonresidential projects that submitted applications to the current block (Block 10) and were not previously awarded the Community Credit may, subject to an authorizing Commission Order, opt into the new incentive structure proposed above.”
6	Are NYSERDA and DPS considering increasing the Community Adder to encourage more CDG development in NYC?	NYSERDA has proposed in the Roadmap (page 74) to initially set the new Community Adder rate at \$0.10/Watt in Con Edison territory. Interested stakeholders are encouraged to address the magnitude of the Community Adder and other incentives in their comments, which would be given due consideration by NYSERDA and DPS.
7	What is the difference between the nonresidential MW block and the C/I MW block?	The Nonresidential MW block is available to eligible nonresidential projects up to 750kW-DC in size. The C/I MW Block is available to eligible projects from 750kW-DC to 7.5 MW-DC.
8	Are there plans to provide future incentive blocks for Upstate nonresidential projects?	<p>Following full allocation of the Upstate nonresidential block, support for <750kW projects would come from the proposed Upstate C/I block. In other words, there would not be separate blocks for large vs small C/I projects once the existing Upstate nonresidential block is exhausted, as proposed in the Roadmap.</p> <p>As seen in the Upstate NY-Sun Dashboards, there are still more than 120 MW of Upstate nonresidential incentives yet to be allocated; given historical uptake levels of around 20 MW per year, NYSERDA expects that it will be several years before the current nonresidential block is fully allocated.</p>
9	Will there be any caps or limits on the MWs that can be deployed in any of the various categories? Will there be any limits on the number of MWs that can be deployed	The Roadmap proposes MW-specific allocations for base incentives and adders by region and segment pertaining to the Incremental 4 GW Target to be achieved by 2030 (Table 1 – Geographical Breakdown of the Incremental 4 GW Target). The

	annually, every two years, etc. until the MW goal is reached?	Roadmap does not propose limits to deployment or incentive awards over any smaller period.
10	Are projects in the opt out program eligible for the proposed Community Adder?	The Roadmap requests stakeholder feedback on the question of Community Adder eligibility for projects enrolling in potential opt-out Community Solar programs. Specifically, the Roadmap states that "DPS and NYSERDA seek stakeholder feedback on whether, on a go-forward basis, opt-out community solar projects should be (i) eligible for the new CA, (ii) ineligible for the new CA, or (iii) eligible for a reduced or partial CA." Please note that proposed rules for opt-out community solar programs will be filed in March 2022 by DPS.
11	At what point would projects be able to invoice for the proposed incentives? Would any of the proposed incentives be paid out over multiple years?	Please refer to the NY-Sun Program Manual for current invoicing and payout timelines for incentives. The Roadmap does not propose any changes to existing invoicing guidelines or requirements, or incentive payout timelines.
12	Does the Roadmap propose any changes to the Multifamily Affordable Housing Incentive?	The Roadmap proposes continuing to offer the Multifamily Affordable Housing Incentive as part of NYSERDA's Solar Energy Equity Framework (SEEF). No specific allocations, incentive levels, or changes relative to the existing incentive are proposed.
13	Is the split on small (under 1MW) and large (over 1MW) in the Con Edison region AC or DC?	While the Roadmap does not specify units for the proposed Con Edison nonresidential incentive blocks, they are intended to be in MW-DC.
14	Would new projects in the Con Edison region be subject to the existing nonresidential block or would they fall into the new commercial blocks?	As proposed in the Roadmap (page 76), Con Edison Nonresidential projects that apply to the NY-Sun program subsequent to the filing of the Roadmap, as well as Con Edison Nonresidential projects that submitted applications to the current block (Block 10) and were not previously awarded the Community Credit may, subject to an authorizing Commission Order, opt into the new proposed incentive structure.
15	How will multifamily be treated under the proposed incentives?	Multifamily projects are currently considered as nonresidential and eligible for available nonresidential project incentives as well as nonresidential incentives proposed in the Roadmap. No changes to the current treatment of multifamily projects are proposed in the Roadmap.

16	Will the sites that are made available through the Build Ready Program be eligible for the Brownfield/Landfill Solar Incentive?	Currently, the Build Ready Program only pertains to large-scale projects, and the Roadmap does not make any recommendations related to the Build Ready Program.
17	When does the Roadmap propose that a project would lock in its Demand Reduction Value (DRV) & Environmental Value as part of its Value Stack?	Currently DRV and E-Value are locked in as of the date that a project makes its 25% interconnection payment. The Roadmap does not propose any changes to DRV or E-Value lock-in dates.
18	Do any of the proposed incentives impact the Value Stack of a project in any way?	No.
19	Is it possible that in the future the Value Stack may include an increased Environmental Value?	The Roadmap proposes a formal mid-program review process under which NYSERDA and DPS would consider changes in project revenue requirements, state and federal policy and other market factors in conjunction to determine whether any changes to the NY-Sun incentive structure and/or the E Value or method for setting it should be considered.
20	Are there plans to create incentives for agrivoltaics (colocation of agriculture and solar) or floatovoltaics (solar on a body of water)? What about expanding the Parking Solar Canopy to the Upstate region?	While the Roadmap does not formally propose the provision of incentive adders for floating solar, dual-use solar/agriculture, or Upstate parking canopy projects, they are being closely considered for future implementation, and stakeholders are encouraged to file public comments related to these incentives.
21	Can you please recap any specific allocation to C&I customers that are on-site, remote crediting or even behind-the-meter? Are they also subject to the Prevailing Wage requirements?	As proposed in the Roadmap, NYSERDA anticipates approximately 30% of new C/I target capacity will be developed as on-site/behind-the-meter/Remote Crediting projects, implying an allocation of 883 MW-DC for the Upstate region and 90 MW-DC for Con Edison territory. As proposed, any such projects with a nameplate capacity of 1 MW-AC or over would be subject to Prevailing Wage requirements and receive a higher base incentive to defer the increased costs associated with these requirements.
22	Is NYSERDA confident that the cost estimates that underpin	The initial incentive rates recommended in the Roadmap do account for 2021's high level of

	the Roadmap adequately capture the current inflationary environment and its effect on development costs?	inflation. NYSERDA and DPS recommend extending the MW Block incentive structure in part because it allows incentive rates to be periodically recalculated and adjusted if market conditions impact project economics in unexpected ways, including inflationary impacts.
23	Is it accurate to say that any cost burden from LMI/SEEF or prevailing wages requirements on the projects would be offset by the upfront incentives by NYSERDA?	Yes. The proposed SEEF and Prevailing Wage incentive adders are designed to offset the incremental costs of a project recruiting LMI/DAC offtakers and paying prevailing wage.
24	Does NYSERDA expect that MW Block incentives will decrease, stay flat, or increase over time?	Incentive levels are meant to solve for “missing money” with regard to project economic viability and costs, and will be set and adjusted based on prevailing and expected market conditions, which we expect to be dynamic and subject to a number of factors whose future values are difficult to predict (e.g. energy and capacity prices, hardware costs, ITC policy).

2. Solar Energy Equity Framework

#	Question	Answer
1	How much of the proposed funds set aside for the Solar Energy Equity Framework (SEEF) will be for the Inclusive Community Solar Adder (ICSA)?	The Roadmap requests a total of \$206.7 million in funds for SEEF programs, but does not propose a specific funding allocation or budget for the Inclusive Community Solar Adder as part of the SEEF. However, it does recommend that at least half of the proposed 1,357 MW of SEEF capacity be targeted to LMI residential customers with direct electric bill savings.
2	Can you provide more information on the co-design program? How will participants be selected? Will participants be compensated? How will municipalities be selected?	NYSERDA plans to announce more details about the co-design of a new program for community-led solar later this year. All the details that we can currently share can be found in the presentation slides from the 10 GW Distributed Solar Roadmap Overview & Deep Dive into the Solar Energy Equity Framework webinar.
3	Is the co-design for community-owned solar process the same as PON 3414: Affordable Solar and Storage Predevelopment and Technical Assistance?	The planned co-design for community-led solar is a new effort. It is different from PON 3414: Affordable Solar and Storage Predevelopment and Technical Assistance , which is an existing program that is still accepting applications.
4	Can you clarify what it means that approximately 85% of the SEEF funding will be committed to direct project incentives?	NYSERDA estimates that approximately 85% of the SEEF funding will be committed to direct project incentives, such as the ICSA and Multifamily Affordable Housing Incentive. The remaining 15% would be committed to programs such as the Affordable Solar and Storage Predevelopment Technical Assistance Program that provides funding for community organizations, housing providers, and other eligible entities.
5	If NYSERDA sees that solar development is misaligned with CLCPA goals, does NYSERDA have flexibility to reallocate funding? Can NYSERDA reallocate funding from the MW Block Program to the Solar Energy Equity Framework?	The Roadmap proposes that 40% of new capacity be dedicated to the SEEF in order to meet CLCPA requirements for benefits to disadvantaged communities (DACs). The existing NY-Sun program structure gives NYSERDA flexibility, in consultation with stakeholders and DPS, and within the limits of the applicable Commission Order, to make adjustments over time, including reallocation of funds within the NY-Sun incentive structure, to ensure program goals are met.

6	Does the Solar Energy Equity Framework require a minimum of 10% credit discount to each residential offtaker?	The Roadmap proposal for the SEEF targets a 10% credit discount (or equivalent) for all projects included in the SEEF. For individual residential subscribers to a community solar project funded via the SEEF this would primarily take the form of a minimum 10% net credit on the monetary value VDER credits applied to the customer's bill (see below).
7	Can you provide more information on the Inclusive Community Solar Adder (ICSA) and if there is funding still available?	For information on the ICSA, including real-time rates and availability, please visit NY-Sun's ICSA page .

3. Prevailing Wage

#	Question	Answer
1	Can you provide more clarification on prevailing wage? Can a project under 1 MW participate? Is there a way I can get more information on prevailing wage in my region?	<p>The Roadmap proposes that NYSERDA-supported projects 1 MW AC and up should be required to pay prevailing wage. Projects not receiving NYSERDA-support would not be required to pay prevailing wage unless other rules or regulations are implemented. A project would be identified as having to pay prevailing wage or equivalent based on its system size as specified in its interconnection application.</p> <p>To ease the transition of this requirement, the Roadmap proposes monetary support for eligible projects requiring prevailing wage. As proposed in the Roadmap, projects less than 1 MW would not be eligible for the higher base MW block incentive even if such projects choose to pay prevailing wage to workers. Stakeholders are encouraged to file public comments related to this matter.</p>
2	Is the prevailing wage split in AC but the small/large non-residential size split in DC?	<p>Yes. The threshold for Prevailing Wage requirements is proposed as 1 MW-AC and above, consistent with current legislation pertaining to Prevailing Wage, which is defined in MW-AC. However, size thresholds for incentive levels as part of the NY-Sun program are all defined in MW-DC.</p>
3	Is the proposed prevailing wage incentive an upfront adder?	<p>The Roadmap proposes that support for projects required to pay prevailing wage would be implemented through a higher base MW Block incentive for eligible projects.</p>
4	Are the incentive values for the prevailing wage adder based on \$/Watt DC?	<p>Yes.</p>

4. Incentive Eligibility & Application Process

#	Question	Answer
1	Can a project that received a MW Block incentive, the Market Transition Credit, the Community Credit, the Community Adder, and/or the Inclusive Community Solar Adder apply for new incentives proposed in the Roadmap?	As proposed in the Roadmap, Upstate C/I projects that already received a NY-Sun incentive at the time the Roadmap was published (December 17, 2021) would not be permitted to cancel their applications and re-apply at a higher incentive rate. Con Edison Nonresidential projects that apply to the NY-Sun program subsequent to the filing of the Roadmap, as well as Con Edison Nonresidential projects that submitted applications to the current block (Block 10) and were not previously awarded the Community Credit may, subject to an authorizing Commission Order, opt into the new incentive structure. Stakeholders advocating for modifications to the above proposals are encouraged to file public comments to this effect.
2	Can a project that <u>did not</u> receive any of the incentives listed in the question above (#4.1) apply for new incentives proposed in the Roadmap?	As proposed in the Roadmap, projects that have not previously received a NY-Sun incentive commitment may apply for newly available NY-Sun incentives subject to regular program rules and eligibility requirements.
3	At what milestone can a project apply for the proposed incentives?	The Roadmap does not propose any changes with regard to project milestone requirements for incentive applications or eligibility. Please refer to the appropriate Program Manual for details on milestone requirements.
4	Are projects that paid their full 100% interconnection payment but did not receive incentives eligible for the proposed incentives?	Yes. As proposed in the Roadmap, projects that have not previously received a NY-Sun incentive commitment may apply for newly available NY-Sun incentives, regardless of their interconnection status.



5. Roadmap Resources

#	Question	Answer
1	Where can I find the webinar recordings and presentation slides?	A recording of each webinar as well as the presentation slides are available on NY-Sun's Resources for Contractors page in the "Stakeholder Meeting Updates" section.
2	Where can I find the one page, high level overview of the Roadmap?	The one page overview of the Roadmap is available here: https://www.nyserda.ny.gov/-/media/email/nysun/informational-roadmap.pdf
3	Is a recording of the February 2nd Opt-Out Community Distributed Generation Stakeholder webinar available?	Yes, a recording of that webinar is available here .

6. Other Questions

#	Question	Answer
1	Does the Roadmap propose new battery storage incentives?	The 10 GW Distributed Solar Roadmap is focused on solar and makes no recommendations for energy storage incentives. A new Energy Storage Roadmap is forthcoming.
2	Are any incentives for LIPA/PSEG proposed in the Roadmap?	LIPA customers do not pay into the Clean Energy Fund (CEF), which is what funds NY-Sun. LIPA is also not under the Department of Public Service/Public Service Commission jurisdiction. LIPA currently offers Community Credit incentives as part of the Value Stack as well as an additional rebate for <750 kW systems. If more incentives are needed to achieve LIPA’s contribution to the Incremental 4 GW Target, additional non-CEF29 support will need to be identified.
3	Will the Standardized Interconnection Requirements (SIR) and the Coordinated Electric System Interconnection Review (CESIR) anticipate a forward view of the additional 4 GWs of solar in a manner that minimizes generation pockets and the need for reactive Public Service Commission (PSC) Order to interconnect?	<p>In addition to an expanded NY-Sun program, the Roadmap recommends interconnection policy improvements to enable the realization of the Incremental 4 GW Target, including modification of utility planning processes, the inclusion and consideration of distribution system investments that expand hosting capacity in future utility Capital Investment Plans, and expansion of the Cost-Sharing 2.0 framework.</p> <p>Additionally, proceeding 20-E-0197, initiated due to the passage of the Accelerated Renewable Energy Growth and Community Benefit Act in 2020, advances the development and implementation of plans for future investments in the electric grid, including distribution system and local and bulk transmission. Interested stakeholders are encouraged to participate in this proceeding.</p>