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PSC Reviews and Improves Critically Important NY-Sun Program

Program Will Produce Enough Clean Solar Energy to Power Nearly 700,000 New York Homes Annually

Expected to Spur Approximately \$4.4 Billion in Private Investments, Creating 6,000 Additional Solar Jobs — With Prevailing Wage Requirement for Projects Above One MW

40 Percent of Benefits to Disadvantaged Communities, Low- to Moderate-Income New Yorkers

Supports State's Climate Leadership and Community Protection Act Goal to Generate 70 Percent of State's Electricity from Renewables by 2030

ALBANY — The New York State Public Service Commission (Commission) today reviewed and made improvements to the State's landmark NY-Sun program, which provides multiple resources to help New Yorkers harness the power of the sun, including incentives and financing for homes and businesses.

"The modifications we are making today to NY-Sun program operations are reasonable to respond to market and policy conditions," **said Commission Chair Rory M. Christian.** "These changes will strengthen and improve this very important program going forward and will position it for even greater success in the months and years ahead."

Based on a review of NY-Sun program performance to date and factoring in updated project cost estimates based on developer-reported data, utility-reported interconnection costs, international cost trends, and other market or policy factors impacting costs, the Commission today approved several program modifications, including:

- Granting the New York State Energy Research and Development Authority, or NYSERDA, flexibility to adjust its Community Adder and Inclusive Community Solar Adder incentives to respond to dynamic market and policy conditions;
- Expanding the eligibility requirements for the prevailing wage adder, in response to the Federal Inflation Reduction Act;
- Authorizing NYSERDA to develop a new floating photovoltaic adder; and
- Authorizing NYSERDA to remove system production adjustments from the incentive payment structure for commercial and industrial projects and amending consolidated billing rules.

The NY-Sun program includes an investment of \$1.5 billion in ratepayer-funded incentives to extend the successful NY-Sun program and continue the marked reduction in project costs and incentives observed in the last ten years. The public investment will spur approximately \$4.4 billion in private investment to bring awarded projects to fruition, for a total of \$5.9 billion in expected investment over the mid- to late-2020s. An additional six thousand solar jobs will be created across the State, including with the State's first application of prevailing wage requirements for solar projects between one and five megawatts.

The program will also deliver at least 35 percent of the benefits, with a goal of 40 percent, from the investments to disadvantaged communities and low-to moderate- income New Yorkers. Today's announcement supports the State's Climate Leadership and Community Protection Act mandate to generate 70 percent of the State's electricity from renewables by 2030 as part of a resilient and equitable transition to a clean energy economy. Achieving the State's expanded solar goal is expected to generate enough clean electricity per year to power nearly 700,000 additional New York homes, including those in disadvantaged communities.

New York State's Nation-Leading Climate Plan

New York State's nation-leading climate agenda calls for an orderly and just transition that creates family-sustaining jobs, continues to foster a green economy across all sectors and ensures that at least 35 percent, with a goal of 40 percent, of the benefits of clean energy investments are directed to disadvantaged communities. Guided by some of the nation's most aggressive climate and clean energy initiatives, New York is on a path to achieving a zero-emission electricity sector by 2040, including 70 percent renewable energy generation by 2030, and economywide carbon neutrality by mid-century. A cornerstone of this transition is New York's unprecedented clean energy investments, including more than \$35 billion in 120 large-scale renewable and transmission projects across the State, \$6.8 billion to reduce building emissions, \$3.3 billion to scale up solar, more than \$1 billion for clean transportation initiatives, and over \$1.8 billion in NY Green Bank commitments. These and other investments are supporting more than 165,000 jobs in New York's clean energy sector in 2021 and over 3,000 percent growth in the distributed solar sector since 2011. To reduce greenhouse gas emissions and improve air quality, New York also adopted zero-emission vehicle regulations, including requiring all new passenger cars and trucks sold in the State be zero emission by 2035. Partnerships are continuing to advance New York's climate action with nearly 400 registered and 100 certified Climate Smart Communities, nearly 500 Clean Energy Communities, and the State's largest community air monitoring initiative in 10 disadvantaged communities across the State to help target air pollution and combat climate change.

Today's decision may be obtained by going to the Commission Documents section of the Commission's Web site at www.dps.ny.gov and entering Case Number 21-E-0629 in the input box labeled "Search for Case/Matter Number". Many libraries offer free Internet access. Commission documents may also be obtained from the Commission's Files Office, 14th floor, Three Empire State Plaza, Albany, NY 12223 (518-474-2500). If you have difficulty understanding English, please call us at 1-800-342-3377 for free language assistance services regarding this press release.