

An aerial photograph of a solar farm. The solar panels are arranged in two main sections: a larger rectangular array on the left and a smaller, more irregular array on the right. The panels are dark blue and mounted on a green field. A dirt road or path runs between the two arrays. The background is a dense forest of green trees, and a few small buildings are visible in the distance. The overall scene is rural and scenic.

Upstate Power

Community Choice Aggregation
Community Solar Only

June 2021

Summary

Upstate Power is proposing a guaranteed savings Community Choice Aggregation Program (“CCA Program”) to the Town of Neversink. The Upstate Power CCA Program offers guaranteed monetary savings to residents and businesses by contracting with local, renewable community solar projects.

CCA, an energy program authorized by the NY Department of Public Service (“NY DPS”), allows municipalities to source competitive energy products on behalf of its constituents through enacting a local law. In the event constituents do not want to participate, they can easily opt-out of the CCA Program at any time with no penalty.

This opportunity offers guaranteed monetary savings to residential, business, and municipal electric utility customers located within participating municipalities, potentially over a 25-year period. The monetary savings are applied directly to customer utility bills.

Upstate Power is an affiliate of Delaware River Solar “DRS”, a leading CDG developer in New York State. DRS has developed and constructed over 120 MW of CDG projects throughout NYSEG and RGE service territories over the last 5 years and has a substantial pipeline of projects scheduled for construction through 2024. DRS Operations Company, an affiliate of DRS, currently manages over 7,000 subscribers on operating community solar projects; performing customer acquisition, utility allocations, utility management, customer service, and regulatory management. DRS Operations Company is headquartered in Callicoon, NY.

CCA Basics

CCA is a New York State energy program which allows municipalities, through enacting a local law, to aggregate competitive energy products on behalf of its residents and businesses. A few key points are:

- All residential and small commercial electric meters located within the municipality are automatically enrolled in the CCA Program on an opt-out¹ basis. Large commercial meters and large municipal meters can participate on an opt-in² basis.
- Participants have the ability to opt-out of the CCA Program at anytime, for any reason, and at no cost. They can opt-out of the CCA Program before or after it commences. The NY DPS requires a 2-month public outreach and education effort and an additional 30-day opt-out period before the CCA Program can begin to ensure that the public is informed.
- Municipalities can contract with a CCA Administrator, Upstate Power for example, to implement and manage the CCA Program from start to finish. There are no fees for this service from the municipality to Upstate Power.

1) Opt-out customers are automatically enrolled in the CCA Program, and they can manually opt-out if they do not want to participate.

2) Opt-in customers are not automatically enrolled in the CCA Program, but they can request to participate if they choose to.

Community Solar + Value-Add Services

Community Solar



Guaranteed \$ Savings



Green, Renewable Energy



Locally Sourced Power




- Community solar allows customers to receive guaranteed savings on their electric bills each and every month.
- In early 2021, NYSEG and Central Hudson implemented consolidated billing for community solar customers. Customers continue to receive their normal utility bill, which now includes the net value of solar credits applied to their bill, reducing the amount owed to the utility. There is no longer a secondary invoice from the solar developer.
- Community solar allows for long-term contracts, which can lock in guaranteed savings for up to 25 years.

Value-Add Services

- Additional energy products and services can be explored within the CCA Program, notably:
 - Electric vehicle charging stations
 - Battery storage

Community Monetary Savings - Neversink

The estimated monetary savings to opt-out customers participating in the Upstate Power CCA Program is **\$1,552,466** over 25 Years at a 5% discount to the solar bill credits. Greater community savings will be realized by including opt-in customers, inclusive of large commercial and municipal accounts.

-  5% Discount – Guaranteed Savings*
-  90% Energy Offset
-  25 Year Term

*Savings are guaranteed on every single utility bill. There is no rate risk or any other scenario where customers would pay more on their electric bill due to participating in this CCA Program.

| Town | # of Opt-Out Customers | Average kWh per Customer | Target % Offset | MW Needed |
|-----------|------------------------|--------------------------|-----------------|-----------|
| Neversink | 1,802 | 8,509 | 90% | 11.27 |

| Year 1 Savings Based on Energy Offset % and Community Solar Capacity | | | | |
|--|------------------------|---------------------------------|------------------------------------|--|
| Energy Offset | Capacity Needed MW(dc) | Average \$ Savings per Customer | Total Savings Across All Customers | |
| 25% | 3.13 | \$ 10 | \$ 17,250 | |
| 50% | 6.26 | \$ 19 | \$ 34,499 | |
| 75% | 9.39 | \$ 29 | \$ 51,749 | |
| 90% | 11.27 | \$ 34 | \$ 62,099 | |

| Potential \$ Savings at 90% Offset | | | | |
|------------------------------------|--------------------------|-------------------------|--|-----------|
| Timeframe (Yrs) | Average Customer Savings | Total Municipal Savings | | |
| 1 | \$ 34 | \$ 62,099 | | |
| 5 | \$ 172 | \$ 310,493 | | |
| 10 | \$ 345 | \$ 620,986 | | |
| 25 | \$ 862 | \$ 1,552,466 | | ** |

**If large commercial and municipal meters opt-in, \$ savings will be greater.

Management of CCA Program

Upstate Power will manage all aspects of the CCA Program including:

Implementation

- Guiding municipalities through the local law
- Filing all required paperwork with the NY DPS
- Sourcing community solar projects
- Managing the public education and outreach plan
- Managing customer utility data
- Guiding municipalities through the NYSERDA grant offering

Ongoing Operations

- Customer management
- Utility management
- Customer service
- Reporting to the municipality
- Reporting to the NY DPS
- Contract renewals

Upstate Power's staff is based in Callicoon, NY and the CCA Program presents additional job growth in Sullivan County.

CCA Implementation Process & Timeline

| <u>Day</u> | <u>Action</u> |
|--|---|
| 1-60 | General CCA education & preliminary information sessions prior to and during the municipal public hearing period related to passing the local law to establish CCA. |
| 60-90 | Municipality passes local law after public comment period to enable CCA. |
| 91-100 | Administrator submits certifications of local authorization to Commission for review and approval. |
| 100-120 | Administrator requests and receives aggregated customer data from Utility |
| 100-160 | 2-month Public Outreach Plan begins |
| 121-129 | Administrator files sample RFP's and ESA's for Staff review and approval. |
| 130-160 | RFP's sent to CDG Sponsors and selection process |
| 161 | File with Staff a notification of the completion of the Public Outreach Plan |
| 161-170 | ESA's executed between Municipality, CDG Sponsors, and Administrator |
| 171-175 | Administrator requests Customer Contact Information from Utility |
| 171-175 | Administrator files final-form opt-out letter for Staff approval |
| 171-175 | Administrator holds additional public information session |
| 180-210 | Opt-out letters sent and opt-out period |
| 211-215 | Opt-out requests processed |
| 216 | Administrator request Customer Account Details from Utility |
| Depends on project development schedules | CDG Project customer lists are sent to the Utility and initial CDG Projects begin commercial operation |
| 60-90 days after commercial operation date | Program Participants begin receiving CDG Credits on Utility Bills |
| Every March 31 | Administrator files annual report as described in this Implementation Plan |
| 120 days before any ESA expiration | Administrator will file an updated Implementation Plan and plans for any contract renewal, extension, or program termination |

Project Pipeline

DRS is planning to construct 31 additional NYSEG and Central Hudson community solar projects through mid-2022.

Upstate Power will source projects from multiple developers through an RFP process to supply sufficient solar credits to offset 90-100% of customer's electric usage.

| Project Name | Utility | MW DC | kWh per Customer | | 8,000 |
|-----------------------|----------------|-------|---------------------|---------------------|-------|
| | | | Target Go Live Date | Est. # of Customers | |
| Sangolqui | NYSEG | 2.91 | 9/30/2021 | 507 | |
| Donati | NYSEG | 2.92 | 9/30/2021 | 527 | |
| West Creek | NYSEG | 6.90 | 9/30/2021 | 1,057 | |
| St Rte 14A | NYSEG | 6.55 | 9/30/2021 | 1,003 | |
| Cafferty Hill | NYSEG | 6.90 | 9/30/2021 | 1,056 | |
| Glen Mary 1 | NYSEG | 6.80 | 9/30/2021 | 1,041 | |
| Glen Mary 2 | NYSEG | 3.03 | 9/30/2021 | 464 | |
| Salt Point | Central Hudson | 3.00 | 9/30/2021 | 814 | |
| McCarthy | Central Hudson | 3.00 | 10/31/2021 | 634 | |
| Catskill | NYSEG | 5.31 | 11/30/2021 | 814 | |
| Chidsey Hill | NYSEG | 4.14 | 12/31/2021 | 634 | |
| Benney Blake Rd | NYSEG | 6.22 | 2/28/2022 | 952 | |
| Main Street | NYSEG | 4.41 | 2/28/2022 | 675 | |
| Esselman | NYSEG | 4.09 | 2/28/2022 | 626 | |
| Weaver Road (Rosa) | NYSEG | 3.40 | 2/28/2022 | 521 | |
| Old Rt 17 | NYSEG | 5.64 | 3/31/2022 | 864 | |
| Genesee | NYSEG | 6.46 | 4/30/2022 | 990 | |
| St Hwy 17C | NYSEG | 5.26 | 4/30/2022 | 805 | |
| Jericho Hill Road | NYSEG | 6.00 | 4/30/2022 | 919 | |
| Glen Mary (815) | NYSEG | 4.13 | 4/30/2022 | 632 | |
| Halsey Lane | NYSEG | 6.60 | 4/30/2022 | 1,011 | |
| Spencer 3 | NYSEG | 6.80 | 5/31/2022 | 1,042 | |
| State Route 38 #1 | NYSEG | 4.78 | 5/31/2022 | 732 | |
| State Route 38 #2 | NYSEG | 5.93 | 5/31/2022 | 908 | |
| Watson Blvd #1 | NYSEG | 5.13 | 5/31/2022 | 786 | |
| Watson Blvd #2 | NYSEG | 5.13 | 5/31/2022 | 786 | |
| 776 & 816 Route 14 #1 | NYSEG | 5.70 | 6/30/2022 | 873 | |
| 776 & 816 Route 14 #2 | NYSEG | 6.65 | 6/30/2022 | 1,018 | |
| 776 & 816 Route 14 #3 | NYSEG | 4.77 | 6/30/2022 | 730 | |
| 12171 Hanover Road | NYSEG | 3.04 | 6/30/2022 | 466 | |
| Angell Rd | NYSEG | 3.06 | 7/31/2022 | 469 | |

Next Steps

- Program due diligence
 - The following links bring you to NY DPS and NYSERDA's CCA specific sites
 - <https://www3.dps.ny.gov/W/PSCWeb.nsf/All/82F83CAC4E71F05D8525835900429D8F?OpenDocument>
 - <https://www.nyserda.ny.gov/All-Programs/Programs/Clean-Energy-Communities/How-It-Works/Toolkits/Community-Choice-Aggregation>
- Review local law
 - Sample local laws specific to CCA.
- Review Upstate Power's CCA Implementation Plan
 - Implementation Plan currently filed with NY DPS.
- Public presentation by Upstate Power
 - Upstate Power can hold a public forum to present the CCA Program and answer any questions.