



MEMORANDUM IN SUPPORT – Assembly Bill No. A8240-A

The Microgrid Resources Coalition (MRC) is pleased to submit this memorandum in support of adoption of Assembly Bill Number A8240-A.

The MRC is a non-profit organization comprised of owners, operators, developers, suppliers and investors in the microgrid industry working together to advocate for policies and regulations that support microgrid deployment. The MRC promotes widespread implementation of microgrids through laws, regulations, and tariffs that support microgrid access to the market, compensation for services, and a level playing field for deployment and operation. The mission of the MRC is to promote microgrids as energy resources by advocating for policy and regulatory reforms that recognize and appropriately value the services that microgrids offer, while assuring non-discriminatory access to the grid for various microgrid configurations and business models. The MRC's members are actively engaged in developing microgrids in many regions of the United States.¹ MRC members have extensive experience with microgrids, including some with over 30 years of operational experience. MRC members are at the cutting edge of microgrid technology.

Our changing climate is leading to increases in the frequency, intensity, and duration of extreme weather events that result in outages of the electric grid. The vast majority of electric outages are the result of failures in the electric distribution system. The Climate Change and Community Protection Act (CLCPA) and related policies will make New York increasingly reliant upon large scale renewables located far from urban load centers. Electrification of the transportation and heating sectors will compound the risks associated with an outage of the electric grid. Microgrids

¹ Members of the MRC include: Anbaric, Bloom Energy, Clearway Energy, Concord Engineering, Eaton, eco(n)law, Emory University, Engie, Faegre Drinker Biddle & Reath, Icetec, International District Energy Association, Mainspring Energy, Massachusetts Institute of Technology, NRG, Princeton University, Reimagine Power, Resilience Plus, Scale Microgrid Solutions, Thermo Systems, University of Missouri and the University of Texas at Austin. The MRC's comments represent the perspective of the coalition and should not be construed as speaking for individual members.

are uniquely positioned to address these concerns if deployed at critical locations within the community. It is important to note that New York has historically supported the deployment of microgrids and other behind the meter on-site generation, but those programs no longer exist for a number of reasons:

First, in the August 2016 Order Adopting a Clean Energy Standard (CES), the Commission determined that behind-the-meter distributed resources including microgrids would be excluded from the CES and also prohibited from creating or otherwise monetizing environmental attributes and/or Renewable Energy Credits (RECs).

Second, effective December 31, 2019, the New York State Energy Research and Development Authority (NYSERDA) terminated its “Customer Sited Tier” incentive programs that had previously supported behind the meter projects including microgrids.

Third, Reforming the Energy Vision (REV) envisioned how to better deliver the “market signal mechanisms” for locational, temporal, environmental, capacity, avoided distribution, avoided transmission, and/or other system and societal benefits, but to date those mechanisms have not yet been extended to behind-the-meter distributed energy resources or microgrids.

Finally, the New York Prize program (NY Prize) which served to educate, inform and support community stakeholders state-wide with deployment of resilient microgrids, was successful in generating eighty three (83) initial feasibility applications, but thus far has not resulted in construction of a single microgrid.

Adoption of Assembly Bill A8240-A would allow the legislature to direct funds to deployment of microgrids at the some of the state’s most critical facilities, including hospitals, supermarkets, and telecommunications hubs among other mission-critical facilities. For these reasons we ask that you support the inclusion of the bill in this year’s New York State Budget.