



REFORMING THE ENERGY VISION (REV)

Under Governor Cuomo's REV strategy, New York is actively spurring clean energy innovation, bringing new investments into the State and improving consumer choice and affordability. In its role, the PSC is aligning markets and the regulatory landscape with the overarching state policy objectives of giving all customers new opportunities for energy savings, local power generation and enhanced reliability to provide safe, clean and affordable electric service.

Regulatory changes under the REV initiative are promoting more efficient use of energy, deeper penetration of renewable energy resources such as wind and solar, wider deployment of "distributed" energy resources, such as micro grids, roof-top solar and other on-site power supplies, and storage. It is also promoting markets to achieve greater use of advanced energy management products to enhance demand elasticity and efficiencies. These changes, in turn, will empower customers by allowing them more choice in how they manage and consume electric energy.

WHY NEW YORK NEEDS AN ESCO

Over 5 years ago, ESCO's were invited to the New York market because the State needed renewables to accomplish its REV strategy. By introducing competition, the State would help:

- Animate the mass market
- Deploy value added services
- Change the market (revolutionize it)
- Deploy distributed energy resources to customers, such as community solar, renewables, clean energy

ESCO's felt the REV strategy was a partnership and were aligned as a community, then a RESET order was issued:

- Accused ESCO's of taking advantage of or overcharging New York customers for their energy bills
- Issued new rules that if ESCOs did not follow would eliminate them from serving the market
- New rules that created 1.5 years of lawsuits between ESCO's and commissioners
- Leaving ESCO's, who started as partners, now feel their relationship with commissioners was less than ideal

At their own risk and cost, ESCO's made billions of dollars in investments with:

- No rate-of-return
- Customers centric model
- No reimbursement's that will be paid back by customers
- Services that are ready to deploy and support residential and commercial customers

By bringing competitive energy to the New York market, ESCO's help to:

- Drive innovation - such as green energy
- Prevent monopolies
- Keeps costs reasonable for customers
- Provide improved customer service vs. status quo
- Meet individual customers needs

ESCO's would like to resume its partnership with New York and remain ready and willing to deploy its investments immediately