



**Reforming the
Energy Vision**

Reforming the Energy Vision

What it Means to Energy Consumers

February 2015

OUR PRIMARY MISSION:

- **Affordable, Safe, Secure, Reliable Access**
Electric, Gas, Steam, Telecommunications, and Water Service
- **While Protecting the Environment**

Reforming the Energy Vision

Reforming the Energy Vision (REV) is New York's comprehensive strategy to develop a cleaner and more reliable, resilient and affordable energy system for all New Yorkers

It includes:

- ❖ Groundbreaking Regulatory Reform
- ❖ Evolution of State Programs
 - Clean Energy Fund
 - NY-Sun
 - NY Green Bank



Consumer Experience Today



- Obtain electricity from utility
- Information regarding energy usage and costs obtained monthly in utility bill
- Electricity and information flows in one direction from utility to consumer

Current Utility Industry Status



- Aging infrastructure requires substantial additional investment only to maintain current capabilities
- Increased dependence on natural gas for electric generation
- Peak demand growing four times faster than overall electricity demand and grid is built to meet peak
- Peak demand occurs a few hours per year, but we pay for the infrastructure to meet peak all year

Current Status – Customer Perspective

- Average electricity bills increasing
- Customers are worried about the reliability of the electric system as a result of outages associated with extreme weather
- New products are increasingly available to assist consumers in managing their electricity usage and bills that also have potential to improve overall efficiency of the system.

Inefficiencies of Current System



STATUS QUO

Current regulatory framework does not encourage innovation and relies too heavily on traditional business models and infrastructure. It also does not incentivize development and adoption of technologies that enable customers to manage their energy bills while ensuring a reliable system.

Opportunities from New Technologies



Consumers have increasing opportunities to



- Manage energy use in their home and business
- Use stored electricity to help manage electricity bills
- Enhance safety and security (e.g., smart medical devices)



Opportunities from New Technology



Customers may be able to use solar and other distributed energy to reduce electricity purchases, provide service to the grid, and enhance reliability and resiliency

Peak Demand Reduction



Utility Direct Load Control

- Tens of thousands of New Yorkers have chosen to have remote controlled air conditioner thermostats. These programs can accommodate customer preferences.

Other Load Management

- New programs are being developed to help reduce peak demand, provide benefits to the electric system, postpone the need for new electricity system investment, reduce emissions, and reduce bills.

Flattening energy usage in the 100 hours of the greatest peak demand would save over \$1.2 billion annually

Benefits of these New Technologies & Services

- Allow consumers to better manage their electricity usage and bills
- Provide consumers more reliable and resilient electricity service
- Reduce carbon emissions
- Reduce the need for new electricity infrastructure investment, including generation, transmission and distribution, thereby lowering costs
- Improve the efficiency of the overall electric system, thereby placing further downward pressure on electricity bills

Proposed Market Structure

- Enable participation by companies and customers providing solar, storage, peak demand reduction, home energy management, etc.
- Integrate new electricity resources into the grid to ensure reliability and efficiency
- Plan and re-construct the distribution network
- Customers get paid as electricity producers do today

PSC is considering the appropriate role for utilities in facilitating new options for consumers



New Marketplace is Envisioned

- Brings customers and providers of new products and services together
- Facilitates understanding and identification of products that meet consumers' needs



How to Get There:

REV:

- Track One
- Track Two

Other PSC Proceedings:

- Clean Energy Fund
- Assessment of Low Income
- Community Choice Aggregation

Share Your Opinion & More Information



- **Provide Comments via the Internet:** You may submit a comment electronically by visiting <http://documents.dps.ny.gov/public/Comments/PublicComments.aspx?MatterCaseNo=14-m-0101>. Many libraries offer free internet service.
- **Provide Comments In Writing:** Comments may be submitted by mail or delivery to, Hon. Kathleen H. Burgess, Secretary, Department of Public Service, Three Empire State Plaza, Albany, New York 12223-1350. Comments should refer to "Case 14-M-0101 (Reforming the Energy Vision)."
- **Toll-Free Opinion Line:** Individuals may submit comments by calling the Commission's toll-free Opinion Line at 1-800-335-2120. This line is set up to receive in-state calls 24-hours a day. Callers should press "1" and select the choice for electric to leave comments about "Case 14-M-0101 (Reforming the Energy Vision)."

Thank You