



Department of Public Service

Public Service Commission
Audrey Zibelman
Chair

Patricia L. Acampora
Garry A. Brown
Gregg C. Sayre
Diane X. Burman
Commissioners

Kimberly A. Harriman
General Counsel
Kathleen H. Burgess
Secretary

Three Empire State Plaza, Albany, NY 12223-1350
www.dps.ny.gov

January 9, 2015

Dear Consumer Leader:

This letter is to request your assistance in informing energy consumers of an energy modernization initiative which will fundamentally transform the way electricity is distributed and used in New York State. It will create the power grid of the future and enable customers to reduce their energy bills. This letter explains how consumers can learn more about this initiative and how they can provide input for consideration by the New York State Public Service Commission.

On April 25, 2014, the New York State Public Service Commission instituted the **Reforming the Energy Vision (REV) proceeding**, stating its intention to align electric utility practices and the Commission's regulation with technological advances that have created alternate ways to meet electricity demand. The Commission is considering a new business model for energy service providers where distributed energy resources (DER) -- such as distributed generation, storage, energy efficiency and demand response -- become increasingly available to consumers and become a primary tool in the planning and operation of the electric system.

The REV order designated two tracks for this proceeding. The first track considers the role of distribution utilities in enabling system-wide efficiencies and market-based deployment of DER and load management, examines wholesale market issues and explores opportunities for customer engagement. The second track will address the regulatory changes and ratemaking issues that will be necessary to implement the REV vision. The attached factsheet provides more details on the REV tracks.

Staff of the New York State Department of Public Service (Staff) issued a straw proposal on Track One issues. The straw proposal included numerous recommendations for the Commission to consider in this proceeding, including the identity of the DSP, the extent to which electric utilities will be permitted to engage in the DER market, access to customer data and utility energy efficiency programs.

To ensure full public participation in its regulatory reform efforts, the Department will conduct a series of informational sessions and public statement hearings, to seek public input and comment on Staff's straw proposal and Track One issues. At the information session, representatives from Staff will provide an overview of what the REV initiative means for customers and will be available to answer questions. The information sessions will be immediately followed by public statement hearings where all those wishing to comment on REV and the straw proposal will have an opportunity to make a statement on the record.

The dates and locations of the information sessions and public statement hearings are as follows:

Syracuse

Wednesday, January 28, 2015

The Oncenter
800 South Street, Syracuse, New York

Information Session	6:00 PM
Public Statement Hearing	7:00 PM

Buffalo

Thursday, January 29, 2015

Buffalo Central Library
1 Lafayette Square, Buffalo, New York

Information Session	2:00 PM
Public Statement Hearing	3:00 PM
Information Session	6:00 PM
Public Statement Hearing	7:00 PM

New York City

Tuesday, February 3, 2015

Borough of Manhattan Community College
199 Chambers Street, New York, New York

Information Session	2:00 PM
Public Statement Hearing	3:00 PM
Information Session	6:00 PM
Public Statement Hearing	7:00 PM

To ensure full public participation in its regulatory reform efforts, the Department will conduct a series of informational sessions and public statement hearings, to seek public input and comment on Staff's straw proposal and Track One issues. At the information session, representatives from Staff will provide an overview of what the REV initiative means for customers and will be available to answer questions. The information sessions will be immediately followed by public statement hearings where all those wishing to comment on REV and the straw proposal will have an opportunity to make a statement on the record.

The dates and locations of the information sessions and public statement hearings are as follows:

Syracuse

Wednesday, January 28, 2015

The Oncenter
800 South Street, Syracuse, New York

Information Session	6:00 PM
Public Statement Hearing	7:00 PM

Buffalo

Thursday, January 29, 2015

Buffalo Central Library
1 Lafayette Square, Buffalo, New York

Information Session	2:00 PM
Public Statement Hearing	3:00 PM
Information Session	6:00 PM
Public Statement Hearing	7:00 PM

New York City

Tuesday, February 3, 2015

Borough of Manhattan Community College
199 Chambers Street, New York, New York

Information Session	2:00 PM
Public Statement Hearing	3:00 PM
Information Session	6:00 PM
Public Statement Hearing	7:00 PM



Public Service Commission

REV: Reforming the Energy Vision

Case 14-M-0101

*Proceeding on Motion of the Commission
in Regard to Reforming the Energy Vision*

About the Initiative:

The energy industry is in transition. Technological innovation and increasing competitiveness of renewable energy resources, combined with aging infrastructure, extreme weather events, and system security and resiliency needs, are all leading to significant changes in how electric energy is produced, managed and consumed.

To meet this challenge, the New York State Public Service Commission (Commission) commenced a proceeding to reform New York's energy industry and regulatory practices. The initiative, called Reforming the Energy Vision (REV), will align electric utility practices and the Commission's regulatory model with technological advances that have created alternatives to traditional solutions to meeting electricity demand.

The REV initiative will lead to regulatory changes that promote more efficient use of energy and a deeper penetration of renewable resources such as wind and solar. The Commission is considering a new business model for energy service providers where distributed energy resources (DER) – such as distributed generation, on-site power, micro-grids, demand response, and storage – become a primary tool in the planning and operation of the electric system. These changes will empower customers by allowing them more choice in how they manage and consume electric energy.

The Commission identified six policy objectives supporting this effort that will:

- enhance customer knowledge and tools to enable customers to manage their energy bills and provide more choice in how they use energy;
- animate the market and leverage ratepayer contributions;
- promote system-wide efficiency;
- increase fuel and resource diversity;
- enhance system reliability and resiliency; and
- reduce carbon emissions.

The Commission Order instituting the REV proceeding designated two tracks for this initiative:

- **Track One:** examines the role of distribution utilities in enabling system-wide efficiencies and market-based deployment of DER and load management, ultimately providing a market in which customers are able to optimize their priorities with respect to reliability, cost and sustainability. This track considers whether the incumbent electric utilities should serve as the Distributed System Platform (DSP) provider (the entity that will manage and coordinate DER), as well as examining wholesale market issues and opportunities for customer engagement.
- **Track Two:** will address the regulatory changes and ratemaking issues that will be necessary to implement the REV vision. This track is on a later timeline than the first track.

Public Involvement:

The REV initiative was instituted as a public proceeding to gather input from all stakeholders into the decision making process.

Track One began with a collaborative process where working groups tackled issues related to market structure, platform technology, wholesale markets, microgrids and customer engagement. A public symposium and two technical conferences were held before the Commission on Track One issues.

On August 22, 2014, the Staff of the New York State Department of Public Service issued a straw proposal entitled "Developing the REV Market in New York: DPS Staff Straw Proposal on Track One Issues." The straw proposal made numerous recommendations that the Commission will be considering in the context of a Track One Order in this proceeding including, among others, the identity of the Distribution System Platform provider, the extent to which electric utilities will be permitted to engage in the DER market, access to customer data and utility energy efficiency programs. Parties filed comments and reply comments on the straw proposal.

Seeking Public Comment

The Commission now seeks further public comment on the straw proposal and Track One issues. The proposal can be viewed by visiting the Commission's website, www.dps.ny.gov, and clicking on the "Reforming the Energy Vision (REV)" link at the top of the page and opening the document entitled "August 22, 2014 – DPS Staff issues REV Straw Proposal." To provide for full public input, the Commission has established numerous ways to participate in the proceeding and to provide comments on the straw proposal/Track One:

- **Attend a Public Statement Hearing** – Between January 26 and February 6, 2015, the Commission will hold a series of hearings across the state where all those wishing to comment on REV and the straw proposal will have an opportunity to make a statement on the record, before an Administrative Law Judge. Additional information about the dates and locations of the hearings can be found on the REV webpage on www.dps.ny.gov.
- **Provide Comments via the Internet**- The public may submit comments electronically to the Hon. Kathleen H. Burgess, Secretary, at secretary@dps.ny.gov. Comments also may be entered directly into the case file from the Commission's website, www.dps.ny.gov, by clicking "Reforming the Energy Vision (REV)" at the top of the page and then clicking "Submitting Comments" near the middle of the page. Written comments may be read on the website by searching Case 14-M-0101 and clicking on the "Public Comments" tab. 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)."
- **Call the Toll-Free Opinion Line**: Individuals may choose to 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. These calls are not transcribed but a summary will be reported to the Commission. Comments should refer to "Case 14-M-0101 (Reforming the Energy Vision)."

Public comments will be accepted throughout the pendency of this proceeding, but parties are encouraged to comment on Track One policy issues prior to February 10, 2015. All comments will become part of the record considered by the Commission.

Staying Connected

- **Subscribe to the Document and Matter Management System**- Stay informed of proceeding activities such as case filings or Commission issuances by subscribing to the Department's on-line document management system. Registered users of the application can self-subscribe to the service or party list, submit comments and E-File. Visit the REV webpage on www.dps.ny.gov for more information about this service.
- **Monitor the Case on Department's Website**- Interested persons who choose not to sign up to receive e-mail notifications can visit www.dps.ny.gov to check on the status of the proceeding. All documents filed by parties, correspondence, hearing transcripts, and documents issued by the Commission are posted on the website. Filings received by individuals who are not a party are posted under the 'public comments' tab on the webpage for Case 14-M-0101 (Reforming the Energy Vision).