



NYSERDA

ANDREW M. CUOMO
Governor

RICHARD L. KAUFFMAN
Chair

JOHN B. RHODES
President and CEO

November 10, 2016

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EXECUTIVE CORRESPONDENCE

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OFFICE OF THE STATE COMPTROLLER
THOMAS P. DINAPOLI
COMPTROLLER

The Honorable Andrew M. Cuomo
Governor of the State of New York
Executive Chamber
The Capitol
Albany, New York 12224

RE: Reply to Audit Report 2015-S-91, NY-Sun Incentive Program

Dear Governor Cuomo:

In accordance with Section 170 of the Executive Law, this letter provides the New York State Energy Research and Development Authority's (NYSERDA) response to the Office of the State Comptroller's audit report issued on September 2, 2016, *NY-Sun Incentive Program (2015-S-91)*, a copy of which is also enclosed. NYSERDA is pleased the Office of the State Comptroller found that the Authority is managing the NY-Sun program effectively for New Yorkers across the state. NYSERDA is always looking for opportunities to improve our processes and procedures in order to meet the growing demand for solar installations across the state. We recognize that quality assurance is an extremely valuable component of NY-Sun, and have already begun implementing new practices to address the audit's recommendations. Through the NY-Sun program, renewable solar energy to the grid and solar in New York State has increased 575 percent between 2012 and 2015, and New York State now ranks fourth in the number of people employed in the solar industry and fifth in total annual solar installations.

Please find below the status of NYSERDA's implementation of the recommendations made by the OSC in its report.

Recommendation #1: Develop and implement a process to follow up on the status of projects that remain open for more than 300 days

Status: NYSERDA has built an automated email notification process into the NY-Sun online portal that alerts the contractor 30 days prior to the project's original expiration deadline of 210 days from the date of project approval. The email gives the Contractor two options if the deadline will not be met: 1) submit for a 90-day extension with an explanation; or 2) submit final paperwork to close out the project. If the project is granted an extension, the deadline gets pushed out 90 days, and the process will repeat itself. The contractor gets ten days to respond to the email generated in each option, and if there is no response NYSERDA can cancel the incentive for the installation.

Recommendation #2: Re-examine priorities to determine if the new installer inspection requirement needs to be modified due to the increase in program volume. If situations where the Authority is unable to obtain approvals from homeowners to schedule post-installation inspections, document the reasons for the deviation.

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Status: The NY-Sun program has made it mandatory for all residential and small commercial installers to document all solar installations with final construction photo documentation, which is available upon request. This will allow NY-Sun program staff to receive inspection information needed to keep pace with the increased program activity. The new process will use an online photo review platform to help augment actual field inspections and expedite the quality assurance and inspection process.

Please contact me if you have any questions or need additional information.

Sincerely,



John B. Rhodes
President and CEO

cc: Honorable Thomas P. DiNapoli
Honorable John J. Flanagan
Honorable Jeffrey Klein
Honorable Andrea Stewart-Cousins
Honorable Catharine M. Young
Honorable Liz Krueger
Honorable Carl Heastie
Honorable Joseph Morelle
Honorable Brian M. Kolb
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