

5429--A

2013-2014 Regular Sessions

I N   S E N A T E

May 16, 2013

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Introduced by Sens. MAZIARZ, FELDER, PARKER, SAMPSON -- read twice and ordered printed, and when printed to be committed to the Committee on Energy and Telecommunications -- recommitted to the Committee on Energy and Telecommunications in accordance with Senate Rule 6, sec. 8 -- committee discharged, bill amended, ordered reprinted as amended and recommitted to said committee

AN ACT to amend the public service law, the public authorities law and the environmental conservation law, in relation to net metering of electric generating facilities; to repeal sections 66-j and 66-l of the public service law relating to net metering of certain residential and non-residential electric generating systems; and to repeal section 66-k of the public service law and subdivision 10-a of section 1854 of the public authorities law relating to sulfur dioxide trading credits

THE PEOPLE OF THE STATE OF NEW YORK, REPRESENTED IN SENATE AND ASSEMBLY, DO ENACT AS FOLLOWS:

1     Section 1. Sections 66-j, 66-k and 66-l of the public service law are  
2     REPEALED and a new section 66-j is added to read as follows:  
3     S 66-J. NET ENERGY METERING FOR SOLAR, WIND, MICRO-HYDROELECTRIC,  
4     MICRO-COMBINED HEAT AND POWER AND FUEL CELL ELECTRIC GENERATING EQUIP-  
5     MENT. 1. DEFINITIONS. AS USED IN THIS SECTION, THE FOLLOWING TERMS  
6     SHALL HAVE THE FOLLOWING MEANINGS:  
7     (A) "CUSTOMER-GENERATOR" MEANS: (I) A RESIDENTIAL CUSTOMER OF AN ELEC-  
8     TRIC CORPORATION, WHO LOCATES AND USES SOLAR, WIND, MICRO-HYDROELECTRIC,  
9     COMBINED HEAT AND POWER OR FUEL CELL ELECTRIC GENERATING EQUIPMENT AT  
10    HIS OR HER PREMISES; (II) A FARM OPERATION CUSTOMER OF AN ELECTRIC  
11    CORPORATION, WHICH LOCATES AND USES FARM WASTE OR WIND ELECTRIC GENERAT-  
12    ING EQUIPMENT AT THE CUSTOMER'S FARM OPERATION, AS SUCH TERM IS DEFINED  
13    IN SUBDIVISION ELEVEN OF SECTION THREE HUNDRED ONE OF THE AGRICULTURE  
14    AND MARKETS LAW; AND (III) A NON-RESIDENTIAL CUSTOMER OF AN ELECTRIC  
15    CORPORATION, WHICH LOCATES AND USES SOLAR, WIND, MICRO-HYDROELECTRIC OR  
16    FUEL CELL ELECTRIC GENERATING EQUIPMENT AT ITS PREMISES.

EXPLANATION--Matter in ITALICS (underscored) is new; matter in brackets  
[ ] is old law to be omitted.

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(B) "NET ENERGY METER" MEANS A METER THAT MEASURES THE REVERSE FLOW OF ELECTRICITY TO REGISTER THE DIFFERENCE BETWEEN THE ELECTRICITY SUPPLIED BY AN ELECTRIC CORPORATION TO THE CUSTOMER-GENERATOR AND THE ELECTRICITY PROVIDED TO THE CORPORATION BY THAT CUSTOMER-GENERATOR.

(C) "NET ENERGY METERING" MEANS THE USE OF A NET ENERGY METER TO MEASURE, DURING THE BILLING PERIOD APPLICABLE TO A CUSTOMER-GENERATOR, THE NET AMOUNT OF ELECTRICITY SUPPLIED BY AN ELECTRIC CORPORATION AND PROVIDED TO THE CORPORATION BY A CUSTOMER-GENERATOR FROM ELECTRIC GENERATING EQUIPMENT THAT IS: (I) MANUFACTURED, INSTALLED, AND OPERATED IN ACCORDANCE WITH APPLICABLE GOVERNMENT AND INDUSTRY STANDARDS, THAT IS CONNECTED TO THE ELECTRIC SYSTEM AND OPERATED IN CONJUNCTION WITH AN ELECTRIC CORPORATION'S TRANSMISSION AND DISTRIBUTION FACILITIES, AND THAT IS OPERATED IN COMPLIANCE WITH ANY STANDARDS AND REQUIREMENTS ESTABLISHED UNDER THIS SECTION; AND (II) MEETS THE REQUIREMENTS OF PARAGRAPH (D) OF THIS SUBDIVISION.

(D) (I) "SOLAR ELECTRIC GENERATING EQUIPMENT" MEANS A PHOTOVOLTAIC SYSTEM THAT: (A) IN THE CASE OF A RESIDENTIAL CUSTOMER, HAS A RATED CAPACITY OF NOT MORE THAN TWENTY-FIVE KILOWATTS; AND (B) IN THE CASE OF A NON-RESIDENTIAL CUSTOMER, HAS A RATED CAPACITY OF NOT MORE THAN TWO THOUSAND KILOWATTS.

(II) "FARM WASTE ELECTRIC GENERATING EQUIPMENT" MEANS EQUIPMENT LOCATED AT A FARM OPERATION THAT GENERATES ELECTRIC ENERGY FROM BIOGAS PRODUCED BY THE ANAEROBIC DIGESTION OF AGRICULTURAL WASTE, SUCH AS LIVESTOCK MANURE, FARMING WASTES AND FOOD PROCESSING WASTES WITH A RATED CAPACITY OF NOT MORE THAN ONE THOUSAND KILOWATTS, THAT IS: (A) FUELED AT A MINIMUM OF NINETY PERCENT ON AN ANNUAL BASIS BY BIOGAS PRODUCED FROM THE ANAEROBIC DIGESTION OF AGRICULTURAL WASTE SUCH AS LIVESTOCK MANURE MATERIALS, FARMING WASTE, CROP RESIDUES, AND FOOD PROCESSING WASTE; AND (B) FUELED BY BIOGAS GENERATED BY ANAEROBIC DIGESTION WITH AT LEAST FIFTY PERCENT BY WEIGHT OF ITS FEEDSTOCK BEING LIVESTOCK MANURE MATERIALS ON AN ANNUAL BASIS.

(III) "WIND ELECTRIC GENERATING EQUIPMENT" MEANS A WIND GENERATION SYSTEM THAT: (A) IN THE CASE OF A RESIDENTIAL CUSTOMER, HAS A RATED CAPACITY OF NOT MORE THAN TWENTY-FIVE KILOWATTS; (B) IN THE CASE OF A FARM OPERATION CUSTOMER, HAS A RATED CAPACITY OF NOT MORE THAN FIVE HUNDRED KILOWATTS, EXCEPT THAT A FARM OPERATION CUSTOMER THAT IS ALSO A NON-RESIDENTIAL CUSTOMER MAY NET METER NON-RESIDENTIAL WIND GENERATING ELECTRIC EQUIPMENT AS DEFINED IN CLAUSE (C) OF THIS SUBPARAGRAPH; AND (C) IN THE CASE OF A NON-RESIDENTIAL CUSTOMER, HAS A RATED CAPACITY OF NOT MORE THAN TWO THOUSAND KILOWATTS.

(IV) "MICRO-HYDROELECTRIC GENERATING EQUIPMENT" MEANS A HYDROELECTRIC SYSTEM THAT: (A) IN THE CASE OF A RESIDENTIAL CUSTOMER, HAS A RATED CAPACITY OF NOT MORE THAN TWENTY-FIVE KILOWATTS; AND (B) IN THE CASE OF A NON-RESIDENTIAL CUSTOMER, HAS A RATED CAPACITY OF NOT MORE THAN TWO THOUSAND KILOWATTS.

(V) "MICRO-COMBINED HEAT AND POWER GENERATING EQUIPMENT" MEANS EQUIPMENT THAT IS AN INTEGRATED, COGENERATING RESIDENTIAL BUILDING HEATING AND ELECTRICAL POWER GENERATION SYSTEM, OPERATING ON ANY FUEL AND OF ANY APPLICABLE ENGINE, FUEL CELL, OR OTHER TECHNOLOGY, WITH A RATED CAPACITY OF AT LEAST ONE KILOWATT AND NOT MORE THAN TEN KILOWATTS ELECTRIC AND ANY THERMAL OUTPUT THAT AT FULL LOAD HAS A DESIGN TOTAL FUEL USE EFFICIENCY IN THE PRODUCTION OF HEAT AND ELECTRICITY OF NOT LESS THAN EIGHTY PERCENT, AND ANNUALLY PRODUCES AT LEAST TWO THOUSAND KILOWATT HOURS OF USEFUL ENERGY IN THE FORM OF ELECTRICITY THAT MAY WORK IN COMBINATION WITH SUPPLEMENTAL OR PARALLEL CONVENTIONAL HEATING SYSTEMS.

(VI) "FUEL CELL ELECTRIC GENERATING EQUIPMENT" MEANS EQUIPMENT THAT IS: (A) IN THE CASE OF A RESIDENTIAL CUSTOMER, A SOLID OXIDE, MOLTEN CARBONATE, PROTON EXCHANGE MEMBRANE OR PHOSPHORIC ACID FUEL CELL WITH A COMBINED RATED CAPACITY OF NOT MORE THAN TEN KILOWATTS; AND (B) IN THE CASE OF A NON-RESIDENTIAL CUSTOMER, A SOLID OXIDE, MOLTEN CARBONATE, PROTON EXCHANGE MEMBRANE OR PHOSPHORIC ACID FUEL CELL WITH A COMBINED RATED CAPACITY OF NOT MORE THAN ONE THOUSAND FIVE HUNDRED KILOWATTS.

2. INTERCONNECTION AND NET ENERGY METERING. AN ELECTRIC CORPORATION SHALL PROVIDE FOR THE INTERCONNECTION OF SOLAR, WIND, FARM WASTE, MICRO-HYDROELECTRIC, MICRO-COMBINED HEAT AND POWER, AND FUEL CELL ELECTRIC GENERATING EQUIPMENT BY A CUSTOMER-GENERATOR AND FOR NET ENERGY METERING, PROVIDED THAT THE CUSTOMER-GENERATOR ENTERS INTO A NET ENERGY METERING CONTRACT WITH THE CORPORATION OR COMPLIES WITH THE CORPORATION'S NET ENERGY METERING SCHEDULE AND COMPLIES WITH STANDARDS AND REQUIREMENTS ESTABLISHED UNDER THIS SECTION.

3. CONDITIONS OF SERVICE. (A) EACH ELECTRIC CORPORATION SHALL MAKE AVAILABLE TO CUSTOMER-GENERATORS A MODEL CONTRACT AND SCHEDULES FILED WITH AND APPROVED BY THE COMMISSION THAT ESTABLISH CONSISTENT AND REASONABLE RATES, TERMS AND CONDITIONS FOR NET ENERGY METERING TO CUSTOMER-GENERATORS ON A FIRST COME, FIRST SERVED BASIS, UNTIL THE TOTAL RATED GENERATING CAPACITY FOR SOLAR, WIND, MICRO-HYDROELECTRIC, FARM WASTE, MICRO-COMBINED HEAT AND POWER, AND FUEL CELL ELECTRIC GENERATING EQUIPMENT LOCATED AND USED BY CUSTOMER-GENERATORS IN THE CORPORATION'S SERVICE AREA IS EQUIVALENT TO ONE AND THREE-TENTHS PERCENT OF THE CORPORATION'S ELECTRIC DEMAND FOR THE YEAR TWO THOUSAND FIVE, AS DETERMINED BY THE DEPARTMENT.

(B) NOTHING IN THIS SUBDIVISION SHALL PROHIBIT A CORPORATION FROM PROVIDING NET ENERGY METERING TO ADDITIONAL CUSTOMER-GENERATORS. THE COMMISSION SHALL HAVE THE AUTHORITY, AFTER JANUARY FIRST, TWO THOUSAND FOURTEEN, TO INCREASE THE PERCENT LIMITS IF IT DETERMINES THAT ADDITIONAL NET ENERGY METERING IS IN THE PUBLIC INTEREST.

(C) IN THE EVENT THAT THE ELECTRIC CORPORATION DETERMINES THAT IT IS NECESSARY TO INSTALL A DEDICATED TRANSFORMER OR TRANSFORMERS, OR OTHER EQUIPMENT TO PROTECT THE SAFETY AND ADEQUACY OF ELECTRIC SERVICE PROVIDED TO OTHER CUSTOMERS, A CUSTOMER-GENERATOR SHALL PAY THE ELECTRIC CORPORATION'S ACTUAL COSTS OF INSTALLING THE TRANSFORMER OR TRANSFORMERS, OR OTHER EQUIPMENT:

(I) IN THE CASE OF A RESIDENTIAL CUSTOMER-GENERATOR WHO LOCATES AND USES AT HIS OR HER PREMISES SOLAR, WIND, MICRO-HYDROELECTRIC, MICRO-COMBINED HEAT OR POWER OR FUEL CELL ELECTRIC GENERATING EQUIPMENT, OR A NON-RESIDENTIAL CUSTOMER-GENERATOR WHICH LOCATES AND USES AT ITS PREMISES SOLAR, WIND, MICRO-HYDROELECTRIC OR FUEL CELL ELECTRIC GENERATING EQUIPMENT WITH A RATED CAPACITY OF NOT MORE THAN TWENTY-FIVE KILOWATTS, UP TO A MAXIMUM AMOUNT OF THREE HUNDRED FIFTY DOLLARS;

(II) IN THE CASE OF A FARM OPERATION CUSTOMER-GENERATOR WHO LOCATES AND USES FARM WASTE OR WIND ELECTRIC GENERATING EQUIPMENT AT THE CUSTOMER'S FARM OPERATION, UP TO A TOTAL AMOUNT OF FIVE THOUSAND DOLLARS; AND

(III) IN THE CASE OF A NON-RESIDENTIAL CUSTOMER-GENERATOR WHO LOCATES AND USES SOLAR, WIND, MICRO-HYDROELECTRIC, OR FUEL CELL ELECTRIC GENERATING EQUIPMENT WITH A RATED CAPACITY OF MORE THAN TWENTY-FIVE KILOWATTS AT ITS PREMISES, SUCH COST SHALL BE AS DETERMINED BY THE ELECTRIC CORPORATION SUBJECT TO REVIEW, UPON THE REQUEST OF SUCH CUSTOMER-GENERATOR, BY THE DEPARTMENT.

(D) AN ELECTRIC CORPORATION SHALL IMPOSE NO OTHER CHARGE OR FEE, INCLUDING BACK-UP, STAND BY AND DEMAND CHARGES, FOR THE PROVISION OF NET

ENERGY METERING TO A CUSTOMER-GENERATOR, EXCEPT AS PROVIDED IN PARAGRAPH (D) OF SUBDIVISION FOUR OF THIS SECTION.

(E) A FARM OPERATION CUSTOMER-GENERATOR OR A NON-RESIDENTIAL SOLAR, WIND OR MICRO-HYDROELECTRIC CUSTOMER-GENERATOR THAT LOCATES AND USES ELECTRIC GENERATING EQUIPMENT WITH A NET ENERGY METER ON PROPERTY OWNED OR LEASED BY SUCH CUSTOMER-GENERATOR MAY DESIGNATE ALL OR A PORTION OF THE NET METERING CREDITS GENERATED BY SUCH EQUIPMENT TO METERS AT ANY PROPERTY OWNED OR LEASED BY SUCH CUSTOMER-GENERATOR WITHIN THE SERVICE TERRITORY OF THE SAME ELECTRIC CORPORATION TO WHICH THE CUSTOMER-GENERATOR'S NET ENERGY METERS ARE INTERCONNECTED AND BEING WITHIN THE SAME LOAD ZONE AS DETERMINED BY THE LOCATION BASED MARGINAL PRICE AS OF THE DATE OF INITIAL REQUEST BY THE CUSTOMER-GENERATOR TO CONDUCT NET METERING. THE ELECTRIC CORPORATION WILL CREDIT THE ACCOUNTS OF THE CUSTOMER BY APPLYING ANY CREDITS TO THE HIGHEST USE METER FIRST, THEN SUBSEQUENT HIGHEST USE METERS UNTIL ALL SUCH CREDITS ARE ATTRIBUTED TO THE CUSTOMER. ANY EXCESS CREDITS SHALL BE CARRIED OVER TO THE FOLLOWING MONTH.

4. RATES. AN ELECTRIC CORPORATION SHALL USE NET ENERGY METERING TO MEASURE AND CHARGE FOR THE NET ELECTRICITY SUPPLIED BY THE CORPORATION AND PROVIDED TO THE CORPORATION BY A CUSTOMER-GENERATOR, ACCORDING TO THESE REQUIREMENTS:

(A) IN THE EVENT THAT THE AMOUNT OF ELECTRICITY SUPPLIED BY THE CORPORATION DURING THE BILLING PERIOD EXCEEDS THE AMOUNT OF ELECTRICITY PROVIDED BY A CUSTOMER-GENERATOR, THE CORPORATION SHALL CHARGE THE CUSTOMER-GENERATOR FOR THE NET ELECTRICITY SUPPLIED AT THE SAME RATE PER KILOWATT HOUR APPLICABLE TO SERVICE PROVIDED TO OTHER CUSTOMERS IN THE SAME SERVICE CLASS WHICH DO NOT GENERATE ELECTRICITY ONSITE.

(B) IN THE EVENT THAT THE AMOUNT OF ELECTRICITY PRODUCED BY A CUSTOMER-GENERATOR DURING THE BILLING PERIOD EXCEEDS THE AMOUNT OF ELECTRICITY USED BY THE CUSTOMER-GENERATOR, THE CORPORATION SHALL APPLY A CREDIT TO THE NEXT BILL FOR SERVICE TO THE CUSTOMER-GENERATOR FOR THE NET ELECTRICITY PROVIDED AT THE SAME RATE PER KILOWATT HOUR APPLICABLE TO SERVICE PROVIDED TO OTHER CUSTOMERS IN THE SAME SERVICE CLASS WHICH DO NOT GENERATE ELECTRICITY ONSITE, EXCEPT FOR MICRO-COMBINED HEAT AND POWER OR FUEL CELL CUSTOMER-GENERATORS, WHO WILL BE CREDITED AT THE CORPORATION'S AVOIDED COSTS. THE AVOIDED COST CREDIT PROVIDED TO MICRO-COMBINED HEAT AND POWER OR FUEL CELL CUSTOMER-GENERATORS SHALL BE TREATED FOR RATEMAKING PURPOSES AS A PURCHASE OF ELECTRICITY IN THE MARKET THAT IS INCLUDABLE IN COMMODITY COSTS.

(C) AT THE END OF THE YEAR OR ANNUALIZED OVER THE PERIOD THAT SERVICE IS SUPPLIED BY MEANS OF NET ENERGY METERING, THE CORPORATION SHALL PROMPTLY ISSUE PAYMENT AT ITS AVOIDED COST TO A RESIDENTIAL SOLAR, WIND OR MICRO-HYDROELECTRIC CUSTOMER-GENERATOR OR A FARM OPERATION CUSTOMER-GENERATOR FOR THE VALUE OF ANY REMAINING CREDIT FOR THE EXCESS ELECTRICITY PRODUCED DURING THE YEAR OR OVER THE ANNUALIZED PERIOD BY THE CUSTOMER-GENERATOR.

(D) IN THE EVENT THAT THE CORPORATION IMPOSES CHARGES BASED ON KILO-WATT DEMAND ON CUSTOMERS WHO ARE IN THE SAME SERVICE CLASS AS THE CUSTOMER-GENERATOR BUT WHICH DO NOT GENERATE ELECTRICITY ON SITE, THE CORPORATION MAY IMPOSE THE SAME CHARGES AT THE SAME RATES TO THE CUSTOMER-GENERATOR, PROVIDED, HOWEVER, THAT THE KILOWATT DEMAND FOR SUCH DEMAND CHARGES IS DETERMINED BY THE MAXIMUM MEASURED KILOWATT DEMAND ACTUALLY SUPPLIED BY THE CORPORATION TO THE CUSTOMER-GENERATOR DURING THE BILLING PERIOD.

5. SAFETY STANDARDS. (A) EACH ELECTRIC CORPORATION SHALL ESTABLISH STANDARDS THAT ARE NECESSARY FOR THE INTERCONNECTION OF ELECTRIC GENER-

1 ATING EQUIPMENT NET METERED BY CUSTOMER-GENERATORS TO ITS SYSTEM AND  
2 THAT THE COMMISSION SHALL DETERMINE ARE NECESSARY FOR SAFE AND ADEQUATE  
3 SERVICE AND FURTHER THE PUBLIC POLICY SET FORTH IN THIS SECTION. SUCH  
4 STANDARDS MAY INCLUDE BUT SHALL NOT BE LIMITED TO:

5 (I) EQUIPMENT NECESSARY TO ISOLATE AUTOMATICALLY THE ELECTRIC GENERAT-  
6 ING EQUIPMENT NET METERED BY CUSTOMER-GENERATORS FROM THE UTILITY SYSTEM  
7 FOR VOLTAGE AND FREQUENCY DEVIATIONS; AND

8 (II) A MANUAL LOCKABLE DISCONNECT SWITCH PROVIDED BY THE CUSTOMER-GEN-  
9 ERATOR WHICH SHALL BE LOCATED ON THE OUTSIDE OF THE CUSTOMER'S PREMISES  
10 AND EXTERNALLY ACCESSIBLE FOR THE PURPOSE OF ISOLATING ELECTRIC GENERAT-  
11 ING EQUIPMENT.

12 (B) UPON ITS OWN MOTION OR UPON A COMPLAINT, THE COMMISSION, OR ITS  
13 DESIGNATED REPRESENTATIVE, MAY INVESTIGATE AND MAKE A DETERMINATION AS  
14 TO THE REASONABLENESS AND NECESSITY OF THE STANDARDS OR RESPONSIBILITY  
15 FOR COMPLIANCE WITH THE STANDARDS.

16 (C) AN ELECTRIC CORPORATION MAY NOT REQUIRE A RESIDENTIAL OR FARM  
17 OPERATION CUSTOMER-GENERATOR TO COMPLY WITH ADDITIONAL SAFETY OR  
18 PERFORMANCE STANDARDS, PERFORM OR PAY FOR ADDITIONAL TESTS, OR PURCHASE  
19 ADDITIONAL LIABILITY INSURANCE PROVIDED THAT THE CUSTOMER-GENERATOR'S  
20 NET METERED ELECTRIC GENERATING EQUIPMENT MEETS THE SAFETY STANDARDS  
21 ESTABLISHED PURSUANT TO THIS SUBDIVISION.

22 (D) IN THE EVENT THAT THE TOTAL RATED GENERATING CAPACITY OF FARM  
23 WASTE AND FARM WIND ELECTRIC GENERATING EQUIPMENT THAT PROVIDES ELEC-  
24 TRICITY TO AN ELECTRIC CORPORATION THROUGH A LOCAL FEEDER LINE EXCEEDS  
25 TWENTY PERCENT OF THE RATED CAPACITY OF THE LOCAL FEEDER LINE, THE ELEC-  
26 TRIC CORPORATION MAY REQUIRE THE CUSTOMER-GENERATOR TO COMPLY WITH  
27 REASONABLE MEASURES TO ENSURE THE SAFETY OF THAT LOCAL FEEDER LINE.

28 (E) AN ELECTRIC CORPORATION MAY REQUIRE A FARM OPERATION CUSTOMER-GEN-  
29 ERATOR OR A NON-RESIDENTIAL SOLAR, WIND, MICRO-HYDROELECTRIC OR FUEL  
30 CELL CUSTOMER-GENERATOR WITH A RATED CAPACITY OF MORE THAN TWENTY-FIVE  
31 KILOWATTS THAT PROVIDES ELECTRICITY TO THE ELECTRIC CORPORATION THROUGH  
32 A LOCAL FEEDER LINE TO COMPLY WITH REASONABLE MEASURES TO ENSURE THE  
33 SAFETY OF THAT LOCAL FEEDER LINE.

34 6. ELECTRIC RESTRUCTURING. NOTWITHSTANDING THE PROVISIONS OF THIS  
35 SECTION, INCLUDING, BUT NOT LIMITED TO PARAGRAPH (B) OF SUBDIVISION  
36 THREE OF THIS SECTION, A CUSTOMER-GENERATOR SHALL COMPLY WITH ANY APPLI-  
37 CABLE DETERMINATIONS OF THE COMMISSION RELATING TO RESTRUCTURING OF THE  
38 ELECTRIC INDUSTRY.

39 7. SEVERABILITY OF PROVISIONS. THE PROVISIONS OF THIS SECTION SHALL BE  
40 SEVERABLE AND IF THE APPLICATION OF ANY CLAUSE, SENTENCE, PARAGRAPH,  
41 SUBDIVISION, SECTION, OR PART THEREOF TO ANY PERSON OR CIRCUMSTANCE  
42 SHALL BE ADJUDGED BY ANY COURT OF COMPETENT JURISDICTION TO BE INVALID,  
43 SUCH JUDGMENT SHALL NOT NECESSARILY AFFECT, IMPAIR, OR INVALIDATE THE  
44 APPLICATION OF ANY SUCH CLAUSE, SENTENCE, PARAGRAPH, SUBDIVISION,  
45 SECTION, PART OR REMAINDER THEREOF, AS THE CASE MAY BE, TO ANY OTHER  
46 PERSON, CIRCUMSTANCE, BUT SHALL BE CONFINED IN ITS OPERATION TO THE  
47 CLAUSE, SENTENCE, PARAGRAPH, SUBDIVISION, SECTION OR PART THEREOF  
48 DIRECTLY INVOLVED IN THE CONTROVERSY IN WHICH SUCH JUDGMENT SHALL HAVE  
49 BEEN RENDERED.

50 S 2. Subdivision (h) of section 1020-g of the public authorities law,  
51 as amended by chapter 546 of the laws of 2011, is amended to read as  
52 follows:

53 (h) To implement programs and policies designed to provide for the  
54 interconnection AND NET METERING of[: (i) (A) solar] electric generating  
55 equipment [owned or operated by residential customers, (B) farm waste  
56 electric generating equipment owned or operated by customer-generators,

1 (C) solar electric generating equipment owned or operated by non-resi-  
2 dential customers, (D) micro-combined heat and power generating equip-  
3 ment owned, leased or operated by residential customers, (E) fuel cell  
4 electric generating equipment owned, leased or operated by residential  
5 customers, and (F) micro-hydroelectric generating equipment owned,  
6 leased or operated by customer-generators and for net energy metering]  
7 consistent with section sixty-six-j of the public service law, to  
8 increase the efficiency of energy end use, to shift demand from periods  
9 of high demand to periods of low demand and to facilitate the develop-  
10 ment of cogeneration[; and (ii) wind electric generating equipment owned  
11 or operated by customer-generators and for net energy metering consist-  
12 ent with section sixty-six-l of the public service law].

13 S 3. Section 1020-cc of the public authorities law, as amended by  
14 section 11 of part A of chapter 173 of the laws of 2013, is amended to  
15 read as follows:

16 S 1020-cc. Authority subject to certain provisions contained in the  
17 state finance law, the public service law, the social services law and  
18 the general municipal law. 1. All contracts of the authority shall be  
19 subject to the provisions of the state finance law relating to contracts  
20 made by the state. The authority shall also establish rules and regu-  
21 lations with respect to providing to its residential gas, electric and  
22 steam utility customers those rights and protections provided in article  
23 two and sections one hundred seventeen and one hundred eighteen of the  
24 public service law and section one hundred thirty-one-s of the social  
25 services law. The authority shall conform to any safety standards  
26 regarding manual lockable disconnect switches for solar electric gener-  
27 ating equipment established by the public service commission pursuant to  
28 subparagraph (ii) of paragraph (a) of subdivision five [and subparagraph  
29 (ii) of paragraph (a) of subdivision five-a] of section sixty-six-j of  
30 the public service law. The authority shall let contracts for  
31 construction or purchase of supplies, materials, or equipment pursuant  
32 to section one hundred three and paragraph (e) of subdivision four of  
33 section one hundred twenty-w of the general municipal law.

34 2. The authority and service provider shall provide to the state comp-  
35 troller on March thirty-first and September thirtieth of each year a  
36 report documenting each contract in excess of two hundred fifty thousand  
37 dollars per year entered into with a third party and related to manage-  
38 ment and operation services associated with the authority's electric  
39 transmission and distribution system, including the name of the third  
40 party, the contract term and a description of services or goods to be  
41 procured, and post such report on each of their websites. All contracts  
42 entered into between the service provider and third parties are not  
43 subject to the requirements of subdivision one of this section.

44 S 4. Subdivision 3 of section 19-0921 of the environmental conserva-  
45 tion law, as added by chapter 36 of the laws of 2000, is amended to read  
46 as follows:

47 3. The commissioner shall make a written report to the legislature  
48 upon his finding that a Federal law has been enacted that will result in  
49 at least a fifty percent reduction in the emissions of SO2[, as defined  
50 in section sixty-six-k of the public service law,] by electric generat-  
51 ing sources pursuant to title four of the Federal Clean Air Act after  
52 full implementation.

53 S 5. Subdivision 10-a of section 1854 of the public authorities law is  
54 REPEALED.

55 S 6. This act shall take effect immediately.