

5429

2013-2014 Regular Sessions

I N S E N A T E

May 16, 2013

Introduced by Sen. MAZIARZ -- read twice and ordered printed, and when printed to be committed to the Committee on Energy and Telecommunications

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2 REPEALED and a new section 66-j is added to read as follows: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.
17 (B) "NET ENERGY METER" MEANS A METER THAT MEASURES THE REVERSE FLOW OF
18 ELECTRICITY TO REGISTER THE DIFFERENCE BETWEEN THE ELECTRICITY SUPPLIED

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

LBD04241-02-3

1 BY AN ELECTRIC CORPORATION TO THE CUSTOMER-GENERATOR AND THE ELECTRICITY
2 PROVIDED TO THE CORPORATION BY THAT CUSTOMER-GENERATOR.

3 (C) "NET ENERGY METERING" MEANS THE USE OF A NET ENERGY METER TO MEAS-
4 URE, DURING THE BILLING PERIOD APPLICABLE TO A CUSTOMER-GENERATOR, THE
5 NET AMOUNT OF ELECTRICITY SUPPLIED BY AN ELECTRIC CORPORATION AND
6 PROVIDED TO THE CORPORATION BY A CUSTOMER-GENERATOR FROM ELECTRIC GENER-
7 ATING EQUIPMENT THAT IS: (I) MANUFACTURED, INSTALLED, AND OPERATED IN
8 ACCORDANCE WITH APPLICABLE GOVERNMENT AND INDUSTRY STANDARDS, THAT IS
9 CONNECTED TO THE ELECTRIC SYSTEM AND OPERATED IN CONJUNCTION WITH AN
10 ELECTRIC CORPORATION'S TRANSMISSION AND DISTRIBUTION FACILITIES, AND
11 THAT IS OPERATED IN COMPLIANCE WITH ANY STANDARDS AND REQUIREMENTS
12 ESTABLISHED UNDER THIS SECTION; AND (II) MEETS THE REQUIREMENTS OF PARA-
13 GRAPH (D) OF THIS SUBDIVISION.

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

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

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

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

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

54 (VI) "FUEL CELL ELECTRIC GENERATING EQUIPMENT" MEANS EQUIPMENT THAT
55 IS: (A) IN THE CASE OF A RESIDENTIAL CUSTOMER, A SOLID OXIDE, MOLTEN
56 CARBONATE, PROTON EXCHANGE MEMBRANE OR PHOSPHORIC ACID FUEL CELL WITH A

1 COMBINED RATED CAPACITY OF NOT MORE THAN TEN KILOWATTS; AND (B) IN THE
2 CASE OF A NON-RESIDENTIAL CUSTOMER, A SOLID OXIDE, MOLTEN CARBONATE,
3 PROTON EXCHANGE MEMBRANE OR PHOSPHORIC ACID FUEL CELL WITH A COMBINED
4 RATED CAPACITY OF NOT MORE THAN ONE THOUSAND FIVE HUNDRED KILOWATTS.

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

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

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

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

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

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

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

51 (D) AN ELECTRIC CORPORATION SHALL IMPOSE NO OTHER CHARGE OR FEE,
52 INCLUDING BACK-UP, STAND BY AND DEMAND CHARGES, FOR THE PROVISION OF NET
53 ENERGY METERING TO A CUSTOMER-GENERATOR, EXCEPT AS PROVIDED IN PARA-
54 GRAPH (D) OF SUBDIVISION FOUR OF THIS SECTION.

55 (E) A FARM OPERATION CUSTOMER-GENERATOR OR A NON-RESIDENTIAL SOLAR,
56 WIND OR MICRO-HYDROELECTRIC CUSTOMER-GENERATOR THAT LOCATES AND USES

1 ELECTRIC GENERATING EQUIPMENT WITH A NET ENERGY METER ON PROPERTY OWNED
2 OR LEASED BY SUCH CUSTOMER-GENERATOR MAY DESIGNATE ALL OR A PORTION OF
3 THE NET METERING CREDITS GENERATED BY SUCH EQUIPMENT TO METERS AT ANY
4 PROPERTY OWNED OR LEASED BY SUCH CUSTOMER-GENERATOR WITHIN THE SERVICE
5 TERRITORY OF THE SAME ELECTRIC CORPORATION TO WHICH THE
6 CUSTOMER-GENERATOR'S NET ENERGY METERS ARE INTERCONNECTED AND BEING
7 WITHIN THE SAME LOAD ZONE AS DETERMINED BY THE LOCATION BASED MARGINAL
8 PRICE AS OF THE DATE OF INITIAL REQUEST BY THE CUSTOMER-GENERATOR TO
9 CONDUCT NET METERING. THE ELECTRIC CORPORATION WILL CREDIT THE ACCOUNTS
10 OF THE CUSTOMER BY APPLYING ANY CREDITS TO THE HIGHEST USE METER FIRST,
11 THEN SUBSEQUENT HIGHEST USE METERS UNTIL ALL SUCH CREDITS ARE ATTRIBUTED
12 TO THE CUSTOMER. ANY EXCESS CREDITS SHALL BE CARRIED OVER TO THE FOLLOW-
13 ING MONTH.

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

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

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

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

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

51 5. SAFETY STANDARDS. (A) EACH ELECTRIC CORPORATION SHALL ESTABLISH
52 STANDARDS THAT ARE NECESSARY FOR THE INTERCONNECTION OF ELECTRIC GENER-
53 ATING EQUIPMENT NET METERED BY CUSTOMER-GENERATORS TO ITS SYSTEM AND
54 THAT THE COMMISSION SHALL DETERMINE ARE NECESSARY FOR SAFE AND ADEQUATE
55 SERVICE AND FURTHER THE PUBLIC POLICY SET FORTH IN THIS SECTION. SUCH
56 STANDARDS MAY INCLUDE BUT SHALL NOT BE LIMITED TO:

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

(II) A MANUAL LOCKABLE DISCONNECT SWITCH PROVIDED BY THE CUSTOMER-GENERATOR WHICH SHALL BE LOCATED ON THE OUTSIDE OF THE CUSTOMER'S PREMISES AND EXTERNALLY ACCESSIBLE FOR THE PURPOSE OF ISOLATING ELECTRIC GENERATING EQUIPMENT.

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

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

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

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

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

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

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

(h) To implement programs and policies designed to provide for the interconnection AND NET METERING of[: (i) (A) solar] electric generating equipment [owned or operated by residential customers, (B) farm waste electric generating equipment owned or operated by customer-generators, (C) solar electric generating equipment owned or operated by non-residential customers, (D) micro-combined heat and power generating equipment owned, leased or operated by residential customers, (E) fuel cell electric generating equipment owned, leased or operated by residential

1 customers, and (F) micro-hydroelectric generating equipment owned,
2 leased or operated by customer-generators and for net energy metering]
3 consistent with section sixty-six-j of the public service law, to
4 increase the efficiency of energy end use, to shift demand from periods
5 of high demand to periods of low demand and to facilitate the develop-
6 ment of cogeneration[; and (ii) wind electric generating equipment owned
7 or operated by customer-generators and for net energy metering consist-
8 ent with section sixty-six-l of the public service law].

9 S 3. Section 1020-cc of the public authorities law, as amended by
10 chapter 413 of the laws of 2011, is amended to read as follows:

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

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

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

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

40 S 6. This act shall take effect immediately.