STATE OF NEW YORK

5190

2017-2018 Regular Sessions

IN SENATE

March 13, 2017

Introduced by Sens. GRIFFO, FUNKE -- 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 and the public authorities law, in relation to establishing the energy storage deployment program

The People of the State of New York, represented in Senate and Assembly, do enact as follows:

Section 1. The public service law is amended by adding a new section 74 to read as follows:

§ 74. Energy storage deployment program. 1. (a) As used in this section "qualified energy storage system" shall mean commercially available technology that is capable of absorbing energy, storing it for a period of time, and thereafter dispatching the energy. A qualified energy storage system shall be cost-effective and either assist the integration of variable energy resources, reduce emissions of greenhouse gases, reduce demand for peak electrical generation, defer or substitute for an investment in generation, transmission, or distribution assets, or improve the reliable operation of the electrical transmission or distribution grid.

(b) A qualified energy storage system shall do one or more of the following: (i) use mechanical, chemical, or thermal processes to store energy that was generated at one time for use at a later time; (ii) store thermal energy for direct use for heating or cooling at a later time in a manner that avoids the need to use electricity at that later time; (iii) use mechanical, chemical, or thermal processes to store energy generated from renewable resources for use at a later time; or (iv) use mechanical, chemical, or thermal processes to store energy generated from mechanical processes that would otherwise be wasted for delivery at a later time.

2. Within ninety days of the effective date of this section, the commission shall commence a proceeding to establish the energy storage

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

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deployment program to encourage the installation of qualified energy storage systems. No later than January first, two thousand eighteen, the commission shall make a determination establishing a target for the installation of qualified energy storage systems to be achieved through two thousand thirty and programs that will enable the state to meet such target. The commission shall consult with the New York state energy research and development authority and the Long Island power authority in the preparation of such determination. The determination shall include the following:

(a) The creation of the energy storage deployment program to be administered by the New York state energy research and development authority and the Long Island power authority;

(b) Estimated annual expenditures associated with the program for each year commencing with calendar year two thousand eighteen and continuing through calendar year two thousand thirty;

(c) Program designs that take the following into consideration:

(1) avoided or deferred costs associated with transmission, distribution, and/or capacity;

(2) minimization of peak load in constrained areas; and

(3) systems that are connected to customer facilities and systems that are directly connected to transmission and distribution facilities;

(d) Annual reports on the achievements and effectiveness of the program to be submitted to the governor, the temporary president of the senate, and the speaker of the assembly; and

(e) Such other issues deemed appropriate by the commission.

§ 2. Sections 1020-ii, 1020-jj and 1020-kk of the public authorities law, as renumbered by chapter 388 of the laws of 2011, are renumbered sections 1020-jj, 1020-kk and 1020-ll and a new section 1020-ii is added to read as follows:

§ 1020-ii. Energy storage deployment program. The authority shall encourage the installation of qualified energy storage systems in its service territory through implementation of the energy storage deployment program as set forth and defined in section seventy-four of the public service law.

§ 3. Subdivision 1 of section 1020-s of the public authorities law, as amended by section 9 of part A of chapter 173 of the laws of 2013, is amended to read as follows:

1. The rates, services and practices relating to the electricity generated by facilities owned or operated by the authority shall not be subject to the provisions of the public service law or to regulation by, or the jurisdiction of, the public service commission, except to the extent (a) article seven of the public service law applies to the siting and operation of a major utility transmission facility as defined therein, (b) article ten of such law applies to the siting of a generating facility as defined therein, (c) section eighteen-a of such law provides for assessment for certain costs, property or operations, [~~and~~] (d) to the extent that the department of public service reviews and makes recommendations with respect to the operations and provision of services of, and rates and budgets established by, the authority pursuant to section three-b of such law, and (e) that section seventy-four of the public service law applies to qualified energy storage systems within the authority's jurisdiction.

§ 4. This act shall take effect immediately.