

5190

2017-2018 Regular Sessions

I N S E N A T E

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:

1 Section 1. The public service law is amended by adding a new section
2 74 to read as follows:

3 S 74. ENERGY STORAGE DEPLOYMENT PROGRAM. 1. (A) AS USED IN THIS
4 SECTION "QUALIFIED ENERGY STORAGE SYSTEM" SHALL MEAN COMMERCIALY AVAIL-
5 ABLE TECHNOLOGY THAT IS CAPABLE OF ABSORBING ENERGY, STORING IT FOR A
6 PERIOD OF TIME, AND THEREAFTER DISPATCHING THE ENERGY. A QUALIFIED ENER-
7 GY STORAGE SYSTEM SHALL BE COST-EFFECTIVE AND EITHER ASSIST THE INTE-
8 GRATION OF VARIABLE ENERGY RESOURCES, REDUCE EMISSIONS OF GREENHOUSE
9 GASES, REDUCE DEMAND FOR PEAK ELECTRICAL GENERATION, DEFER OR SUBSTITUTE
10 FOR AN INVESTMENT IN GENERATION, TRANSMISSION, OR DISTRIBUTION ASSETS,
11 OR IMPROVE THE RELIABLE OPERATION OF THE ELECTRICAL TRANSMISSION OR
12 DISTRIBUTION GRID.

13 (B) A QUALIFIED ENERGY STORAGE SYSTEM SHALL DO ONE OR MORE OF THE
14 FOLLOWING: (I) USE MECHANICAL, CHEMICAL, OR THERMAL PROCESSES TO STORE
15 ENERGY THAT WAS GENERATED AT ONE TIME FOR USE AT A LATER TIME; (II)
16 STORE THERMAL ENERGY FOR DIRECT USE FOR HEATING OR COOLING AT A LATER
17 TIME IN A MANNER THAT AVOIDS THE NEED TO USE ELECTRICITY AT THAT LATER
18 TIME; (III) USE MECHANICAL, CHEMICAL, OR THERMAL PROCESSES TO STORE
19 ENERGY GENERATED FROM RENEWABLE RESOURCES FOR USE AT A LATER TIME; OR
20 (IV) USE MECHANICAL, CHEMICAL, OR THERMAL PROCESSES TO STORE ENERGY
21 GENERATED FROM MECHANICAL PROCESSES THAT WOULD OTHERWISE BE WASTED FOR
22 DELIVERY AT A LATER TIME.

23 2. WITHIN NINETY DAYS OF THE EFFECTIVE DATE OF THIS SECTION, THE
24 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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1 DEPLOYMENT PROGRAM TO ENCOURAGE THE INSTALLATION OF QUALIFIED ENERGY
2 STORAGE SYSTEMS. NO LATER THAN JANUARY FIRST, TWO THOUSAND EIGHTEEN, THE
3 COMMISSION SHALL MAKE A DETERMINATION ESTABLISHING A TARGET FOR THE
4 INSTALLATION OF QUALIFIED ENERGY STORAGE SYSTEMS TO BE ACHIEVED THROUGH
5 TWO THOUSAND THIRTY AND PROGRAMS THAT WILL ENABLE THE STATE TO MEET SUCH
6 TARGET. THE COMMISSION SHALL CONSULT WITH THE NEW YORK STATE ENERGY
7 RESEARCH AND DEVELOPMENT AUTHORITY AND THE LONG ISLAND POWER AUTHORITY
8 IN THE PREPARATION OF SUCH DETERMINATION. THE DETERMINATION SHALL
9 INCLUDE THE FOLLOWING:

10 (A) THE CREATION OF THE ENERGY STORAGE DEPLOYMENT PROGRAM TO BE ADMIN-
11 ISTERED BY THE NEW YORK STATE ENERGY RESEARCH AND DEVELOPMENT AUTHORITY
12 AND THE LONG ISLAND POWER AUTHORITY;

13 (B) ESTIMATED ANNUAL EXPENDITURES ASSOCIATED WITH THE PROGRAM FOR EACH
14 YEAR COMMENCING WITH CALENDAR YEAR TWO THOUSAND EIGHTEEN AND CONTINUING
15 THROUGH CALENDAR YEAR TWO THOUSAND THIRTY;

16 (C) PROGRAM DESIGNS THAT TAKE THE FOLLOWING INTO CONSIDERATION:

17 (1) AVOIDED OR DEFERRED COSTS ASSOCIATED WITH TRANSMISSION, DISTRIB-
18 UTION, AND/OR CAPACITY;

19 (2) MINIMIZATION OF PEAK LOAD IN CONSTRAINED AREAS; AND

20 (3) SYSTEMS THAT ARE CONNECTED TO CUSTOMER FACILITIES AND SYSTEMS THAT
21 ARE DIRECTLY CONNECTED TO TRANSMISSION AND DISTRIBUTION FACILITIES;

22 (D) ANNUAL REPORTS ON THE ACHIEVEMENTS AND EFFECTIVENESS OF THE
23 PROGRAM TO BE SUBMITTED TO THE GOVERNOR, THE TEMPORARY PRESIDENT OF THE
24 SENATE, AND THE SPEAKER OF THE ASSEMBLY; AND

25 (E) SUCH OTHER ISSUES DEEMED APPROPRIATE BY THE COMMISSION.

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

30 S 1020-II. ENERGY STORAGE DEPLOYMENT PROGRAM. THE AUTHORITY SHALL
31 ENCOURAGE THE INSTALLATION OF QUALIFIED ENERGY STORAGE SYSTEMS IN ITS
32 SERVICE TERRITORY THROUGH IMPLEMENTATION OF THE ENERGY STORAGE DEPLOY-
33 MENT PROGRAM AS SET FORTH AND DEFINED IN SECTION SEVENTY-FOUR OF THE
34 PUBLIC SERVICE LAW.

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

38 1. The rates, services and practices relating to the electricity
39 generated by facilities owned or operated by the authority shall not be
40 subject to the provisions of the public service law or to regulation by,
41 or the jurisdiction of, the public service commission, except to the
42 extent (a) article seven of the public service law applies to the siting
43 and operation of a major utility transmission facility as defined there-
44 in, (b) article ten of such law applies to the siting of a generating
45 facility as defined therein, (c) section eighteen-a of such law provides
46 for assessment for certain costs, property or operations, [and] (d) to
47 the extent that the department of public service reviews and makes
48 recommendations with respect to the operations and provision of services
49 of, and rates and budgets established by, the authority pursuant to
50 section three-b of such law, AND (E) THAT SECTION SEVENTY-FOUR OF THE
51 PUBLIC SERVICE LAW APPLIES TO QUALIFIED ENERGY STORAGE SYSTEMS WITHIN
52 THE AUTHORITY'S JURISDICTION.

53 S 4. This act shall take effect immediately.