S T A T E O F N E W Y O R K

11592

I N A S S E M B L Y

June 29, 2010

Introduced by COMMITTEE ON RULES -- (at request of M. of A. Cahill) -- read once and referred to the Committee on Energy

AN ACT to amend the public service law, the public authorities law, and the real property law, in relation to green jobs-green New York on-bill financing

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

Section 1. Section 2 of the public service law is amended by adding three new subdivisions 28, 29 and 30 to read as follows:

28. THE TERM "CAPITAL IMPROVEMENTS AND FIXTURES TO PROMOTE ENERGY EFFICIENCY," WHEN USED IN THIS CHAPTER, MEANS REPAIRS AND UPGRADES TO BUILDINGS, BUILDING SYSTEMS, FIXTURES AND MAJOR APPLIANCES FOR THE PURPOSE OF REDUCING THE CONSUMPTION OF ELECTRICITY, GAS, OIL AND OTHER FUELS, AS DEEMED ELIGIBLE UNDER THE GREEN JOBS-GREEN NEW YORK PROGRAM BY THE NEW YORK STATE ENERGY RESEARCH AND DEVELOPMENT AUTHORITY, SUCH AS WINDOW AND DOOR REPLACEMENT, LIGHTING, CAULKING, WEATHERSTRIPPING, AIR SEALING, INSULATION, AND HEATING AND COOLING SYSTEM UPGRADES, AND SIMILAR IMPROVEMENTS. WITH RESPECT TO ONE TO FOUR FAMILY RESIDENTIAL PROPERTIES, THE TERM "ENERGY EFFICIENCY IMPROVEMENT" MAY INCLUDE ANY HEALTH AND SAFETY RELATED REPAIRS THAT ARE REQUIRED TO BE MADE IN CONJUNCTION WITH OTHER ENERGY EFFICIENCY IMPROVEMENTS IN ORDER TO CONFORM WITH THE STANDARDS OF THE CERTIFYING ENTITY DESCRIBED IN SUBDIVISION FOUR OF THIS SECTION, HOWEVER, WITH RESPECT TO THE GREEN JOBS-GREEN NEW YORK ON-BILL CHARGE ESTABLISHED PURSUANT TO SECTION SIXTY-SIX-M OF THIS CHAPTER, "CAPITAL IMPROVEMENTS AND FIXTURES TO PROMOTE ENERGY EFFICIENCY" SHALL NOT INCLUDE LIGHTING MEASURES OR HOUSEHOLD APPLIANCES THAT ARE NOT PERMANENTLY FIXED TO REAL PROPERTY.

29. THE TERM "GREEN JOBS-GREEN NEW YORK ON-BILL CHARGE," WHEN USED IN THIS CHAPTER, MEANS A CHARGE APPEARING ON THE MONTHLY UTILITY BILL OF A UTILITY CUSTOMER WHO ELECTS TO PARTICIPATE IN THE GREEN JOBS-GREEN NEW YORK PROGRAM AND TO FINANCE CAPITAL IMPROVEMENTS UNDER THAT PROGRAM THROUGH SUCH A CHARGE.

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

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30. THE TERM "NYSERDA," WHEN USED IN THIS CHAPTER, MEANS THE NEW YORK STATE ENERGY RESEARCH AND DEVELOPMENT AUTHORITY, PURSUANT TO SECTION EIGHTEEN HUNDRED FIFTY-TWO OF THE PUBLIC AUTHORITIES LAW.

S 2. Paragraph (a) of subdivision 2 of section 32 of the public service law, as added by chapter 713 of the laws of 1981, is amended to read as follows:

(a) fails to pay charges for any service rendered during the preceding twelve months, INCLUDING ANY GREEN JOBS-GREEN NEW YORK ON-BILL CHARGE, provided however that the commission by regulations may permit the termination of service for bills due for service rendered during periods in excess of twelve months where (i) there was a dispute between such person and the utility corporation or municipality concerning the bill during the twelve month period, (ii) delays in termination are not the fault of the utility or were due to the culpable conduct of such person, or (iii) such bills are necessary to adjust estimated bills; or

S 3. Paragraph (b) of subdivision 6 of section 18-a of the public service law, as added by section 4 of part NN of chapter 59 of the laws of 2009, is amended to read as follows:

(b) The temporary state energy and utility service conservation assessment shall be equal to two percentum of the utility entity's gross operating revenues derived from intrastate utility operations in the last preceding calendar year, minus the amount, if any, that such utility entity is assessed pursuant to subdivisions one and two of this section for the corresponding state fiscal year period. With respect to the Long Island power authority, the temporary state energy and utility service conservation assessment shall be equal to one percentum of such authority's gross operating revenues derived from intrastate utility operations in the last preceding calendar year. THE TEMPORARY STATE ENERGY AND UTILITY SERVICE CONSERVATION ASSESSMENT SHALL NOT BE APPLIED TO THE GREEN JOBS-GREEN NEW YORK ON-BILL CHARGE BILLED AND COLLECTED PURSUANT TO SECTION SIXTY-SIX-M OF THIS CHAPTER. No corporation or person subject to the jurisdiction of the commission only with respect to safety, or the power authority of the state of New York, shall be subject to the temporary state energy and utility service conservation assessment provided for under this subdivision. Utility entities whose gross operating revenues from intrastate utility operations are five hundred thousand dollars or less in the preceding calendar year shall not be subject to the temporary state energy and utility service conservation assessment. The minimum temporary state energy and utility service conservation assessment to be billed to any utility entity whose gross revenues from intrastate utility operations are in excess of five hundred thousand dollars in the preceding calendar year shall be two hundred dollars.

S 4. Subdivision 6 of section 65 of the public service law, as amended by chapter 713 of the laws of 1981 and paragraph (b-1) as added by chapter 534 of the laws of 1982, is amended to read as follows:

6. Service charges prohibited. Every gas corporation shall charge for gas supplied a fair and reasonable price. No such corporation shall make or impose an additional charge or fee for service or for the installation of apparatus or the use of apparatus installed, except that a charge may be made:

(a) where entry, inspection or examination as authorized by subdivision nine of this section is denied;

(b) for reconnecting the service to a person or corporation if the service to such person or corporation was disconnected, in accordance

with applicable legal requirements, for non-payment of bills for service; [or]

(b-1) for expenses reasonably incurred as determined by the commission in cases of meter tampering and theft of service. Such expenses shall include, but not be limited to, the cost of investigating, repairing and replacing meters and pipes, and the cost of moving a meter and installing it in a secure location[.];

(c) for a remote meter reading device upon the request and consent of the customer; OR

(D) FOR CAPITAL IMPROVEMENTS AND FIXTURES TO PROMOTE ENERGY EFFICIENCY PURSUANT TO THE PROGRAM ESTABLISHED IN PARAGRAPH (D) OF SUBDIVISION ONE OF SECTION EIGHTEEN HUNDRED NINETY-FOUR OF THE PUBLIC AUTHORITIES LAW.

S 5. The public service law is amended by adding a new section 66-m to read as follows:

S 66-M. GREEN JOBS-GREEN NEW YORK ON-BILL CHARGE. 1. THE COMMISSION SHALL REQUIRE ELECTRIC AND GAS CORPORATIONS TO FILE TARIFFS TO PROVIDE FOR THE BILLING AND COLLECTION OF GREEN JOBS-GREEN NEW YORK ON-BILL CHARGES UTILIZED TO COLLECT PAYMENT OF OBLIGATIONS TO THE NYSERDA RETROFIT INVESTMENT FUND THAT CUSTOMERS UNDERTAKE THROUGH THE GREEN JOBS-GREEN NEW YORK PROGRAM "PROGRAM", ESTABLISHED PURSUANT TO TITLE NINE-A OF ARTICLE EIGHT OF THE PUBLIC AUTHORITIES LAW. ELECTRIC AND GAS CORPORATIONS SHALL SEEK FUNDING OPPORTUNITIES PROVIDED UNDER THE AMERICAN RECOVERY AND REINVESTMENT ACT OF TWO THOUSAND NINE TO FUND OR OFFSET COSTS ASSOCIATED WITH IMPLEMENTING THE PROGRAM. ELECTRIC AND GAS CORPORATIONS SHALL UTILIZE EXISTING ELECTRONIC DATA INTERCHANGE INFRASTRUCTURE OR OTHER EXISTING BILLING INFRASTRUCTURE TO IMPLEMENT THE PROGRAM. ELECTRIC AND GAS CORPORATIONS WILL BE PERMITTED TO RECOVER THROUGH RATES THE COSTS OF ALL NECESSARY AND PRUDENT PROGRAM IMPLEMENTATION COSTS, INCLUDING COSTS ASSOCIATED WITH ELECTRONIC DATA INTERCHANGE IMPROVEMENTS. THE COMMISSION SHALL WITHIN FORTY-FIVE DAYS OF THE EFFECTIVE DATE OF THIS SECTION REQUIRE ALL ELECTRIC, STEAM AND/OR GAS CORPORATIONS TO FILE TARIFFS TO IMPLEMENT THE PROGRAM FOR ALL ELIGIBLE CUSTOMERS WITHIN THEIR RESPECTIVE SERVICE TERRITORIES AND ISSUE A NOTICE OF PROPOSED RULE-MAKING ON SUCH TARIFFS. THE COMMISSION SHALL ACT EXPEDITIOUSLY, WITHIN THE MINIMUM TIME PERIOD CONSISTENT WITH THE REQUIREMENTS OF THE STATE ADMINISTRATIVE PROCEDURE ACT, TO ISSUE A FINAL DECISION REGARDING THE GREEN JOBS-GREEN NEW YORK TARIFFS.

2. THE TARIFFS SHALL PROVIDE:

(A) THAT FULL ACCESS TO THE BENEFITS OF THE PROGRAM BE AVAILABLE TO ALL CUSTOMERS THAT MEET STANDARDS FOR RELIABLE UTILITY BILL PAYMENT AND CURRENT GOOD STANDING ON ANY MORTGAGE OBLIGATIONS ON THE PREMISES AS DETERMINED BY NYSERDA IN ITS CAPACITY AS MANAGER OF THE RETROFIT INVESTMENT FUND, AND WHO HOLD PRIMARY OWNERSHIP OR REPRESENT THE PRIMARY OWNER OR OWNERS OF THE PREMISES, AND WHO HOLD PRIMARY METER ACCOUNT RESPONSIBILITY OR REPRESENT THE PRIMARY HOLDER OR HOLDERS OF METER ACCOUNT RESPONSIBILITY FOR ALL METERS TO WHICH AN ON-BILL REPAYMENT OBLIGATION IS ATTACHED.

(B) THAT THE GREEN JOBS-GREEN NEW YORK ON-BILL CHARGES FOR ANY SERVICES PROVIDED AT THE CUSTOMER'S PREMISES SURVIVE CHANGES IN OWNERSHIP, TENANCY, OR METER ACCOUNT RESPONSIBILITY, WITH ARREARS AT TIME OF METER ACCOUNT CLOSURE OR METER TRANSFER REMAINING THE RESPONSIBILITY OF THE INCURRING CUSTOMER.

(C) THE THE PREMISES OWNER MAY NOT TRANSFER PRIMARY METER ACCOUNT RESPONSIBILITY FOR THE INCURRING METER TO A TENANT WHILE THE GREEN JOBS-GREEN NEW YORK ON-BILL CHARGES SURVIVE.

(D) FOR THE DISCONNECTION OF SERVICE FOR NON-PAYMENT OF PROGRAM OBLIGATIONS, SUBJECT TO REQUIREMENTS OF ARTICLE TWO OF THIS CHAPTER.

(E) THAT ELECTRIC AND GAS CORPORATIONS SHALL ONLY BE RESPONSIBLE FOR BILLING AND COLLECTION OF GREEN JOBS-GREEN NEW YORK ON-BILL CHARGES FOR SPECIFIC CUSTOMERS IN THE AMOUNTS AND TIME PERIODS DIRECTED BY NYSERDA, AND FOR SUCCESSOR CUSTOMERS AT THE SAME PREMISES, WHEN ADVISED BY NYSERDA THAT:

(I) THE SPECIFIC CUSTOMER HAS ENTERED INTO A WRITTEN REPAYMENT AGREEMENT WITH NYSERDA TO PAY SUCH AMOUNTS FOR SUCH TIME PERIODS.

(II) THE REPAYMENT AGREEMENT IS CONSISTENT WITH THE PROVISIONS OF TITLE NINE-A OF ARTICLE EIGHT OF THE PUBLIC AUTHORITIES LAW AND WITH REGULATIONS PROMULGATED PURSUANT TO SUCH TITLE.

(III) THE PROGRAM INCLUDES A SUBSTANTIVE PLAN TO PROVIDE FOR CUSTOMER SERVICE AND RESOLUTION OF CUSTOMER COMPLAINTS, AND TO ACCOUNT FOR DELAYS AND DEFAULTS IN CUSTOMER PAYMENTS.

(F) THAT THE UTILITY'S OBLIGATION TO COLLECT GREEN JOBS-GREEN NEW YORK CUSTOMER REPAYMENTS DOES NOT RESTRICT THE UTILITY'S DISCRETION TO ESTABLISH THE TERMS OF DEFERRED PAYMENT AGREEMENTS OR TO DEFER TERMINATION OF SERVICE FOR DELINQUENT CUSTOMERS.

(G) THAT UNDERPAYMENTS OF BILLS BY CUSTOMERS WITH GREEN JOBS-GREEN NEW YORK ON-BILL CHARGES SHALL BE APPORTIONED BETWEEN THE GREEN JOBS-GREEN NEW YORK ON-BILL CHARGES AND ALL OTHER CHARGES ON THE BILL, WITH THE PERCENTAGE OF THE UNDERPAYMENT APPORTIONED TO THE GREEN JOBS-GREEN NEW YORK ON-BILL CHARGE EQUAL TO THE PERCENTAGE THE GREEN JOBS-GREEN NEW YORK ON-BILL CHARGE REPRESENTS OF THE TOTAL BILL. THAT WITH CUSTOMER CONSENT, THE UTILITY SHALL PROVIDE PRIOR YEAR CUSTOMER BILLING AND CONSUMPTION DATA TO NYSERDA. IN CASES WHERE CUSTOMER CONSENT IS NOT OBTAINED, THE UTILITY MAY PROVIDE AGGREGATE CENSUS TRACT DATA THAT INCLUDES THE CUSTOMER'S ADDRESS.

(H) THAT NYSERDA SHALL BE RESPONSIBLE FOR THE RESOLUTION OF ANY CUSTOMER COMPLAINTS REGARDING WORK PERFORMED PURSUANT TO THE PROGRAM AND THE DETERMINATION OF WHETHER GREEN JOBS-GREEN NEW YORK ON-BILL CHARGES SHOULD BE MODIFIED. SUCH COMPLAINTS SHALL NOT BE COUNTED IN UTILITY CUSTOMER SERVICE PERFORMANCE MECHANISMS APPROVED BY THE COMMISSION.

(I) THAT UTILITIES WILL PROVIDE ON THE CUSTOMER'S BILL AN EXPLANATION OF THE BENEFIT OF THE GREEN JOBS-GREEN NEW YORK RETROFIT THAT INCLUDES A CALCULATION OF THE AVOIDED COST OF FUEL BASED ON NYSERDA'S PROJECTION OF SAVINGS OVER PRIOR USAGE ASSOCIATED WITH THE RETROFIT, THE CURRENT UNIT COST OF THE UTILITY FUEL, AND AN EXPLANATION THAT BILL LEVELS VARY BASED ON ACTUAL USAGE EVEN WHEN HOMES ARE UPGRADED TO USE ENERGY MORE EFFICIENTLY.

(J) THAT UTILITIES WILL INFORM CUSTOMERS AT THE TIME OF ACCOUNT OPENING AND AT LEAST ANNUALLY OF THE AMOUNT AND DURATION OF ANY GREEN JOBS-GREEN NEW YORK ON-BILL CHARGES AT THE PREMISES FOR PREVIOUSLY INSTALLED ENERGY EFFICIENCY MEASURES, INCLUDING NYSERDA PROCEDURES FOR DISPUTING SUCH CHARGES.

(K) THAT FOR CUSTOMERS WITH A LEVELIZED BILLING PLAN, A GREEN JOBS-GREEN NEW YORK RETROFIT SHALL TRIGGER AN IMMEDIATE RECALCULATION OF MONTHLY PAYMENTS UNDER SUCH PLAN, BASED ON NYSERDA PROJECTIONS OF ENERGY SAVINGS RESULTING FROM THE INSTALLED MEASURES AND EFFECTIVE ON THE CUSTOMER'S FIRST BILL WITHIN SIXTY DAYS OF COMPLETION OF THE RETROFIT.

(L) THAT UTILITIES SHALL OFFER DEFERRED PAYMENT AGREEMENTS TO GREEN JOBS-GREEN NEW YORK CUSTOMERS ON THE SAME TERMS AS TO OTHER CUSTOMERS, REGARDLESS OF THE APPORTIONMENT OF COLLECTED PAYMENTS TO BOTH UTILITY AND GREEN JOBS-GREEN NEW YORK CHARGES.

(M) THAT UTILITIES MAY SIMULTANEOUSLY OFFER TO GREEN JOBS-GREEN NEW YORK ON-BILL REPAYMENT CUSTOMERS ANY AVAILABLE REBATES FOR INDIVIDUAL RETROFIT MEASURES, REGARDLESS OF WHETHER SUCH MEASURES ARE PERFORMED IN THE COURSE OF A GREEN JOBS-GREEN NEW YORK RETROFIT.

S 6. Paragraph (d) of subdivision 1 of section 1894 of the public authorities law, as added by chapter 487 of the laws of 2009, is amended and a new paragraph (e) is added to subdivision 1 to read as follows:

(d) organized trades and their certification or apprenticeship programs. The authority shall specifically solicit applications that propose to demonstrate the feasibility of innovative financing mechanisms, including but not limited to applications undertaken in partnership with distribution utilities that propose to demonstrate the feasibility of on-bill financing. The public service commission and other appropriate agencies are authorized to coordinate with the authority and applicants in developing and implementing proposed demonstrations of innovative financing mechanisms. AN ON-BILL FINANCING MECHANISM FOR INSTALLATION OF ENERGY EFFICIENCY MEASURES AND IMPROVEMENTS SHALL BE ESTABLISHED AS FOLLOWS:

(1) GREEN JOBS-GREEN NEW YORK PROGRAM "PROGRAM" RETROFITS SHALL BE PERFORMED IN ACCORDANCE WITH RESEARCH-BASED, INDUSTRY STANDARDS AS DETERMINED BY THE AUTHORITY;

(2) PERFORMANCE OF RETROFIT WORK SHALL MEET STANDARDS FOR CONTRACTING AS DETERMINED BY THE AUTHORITY;

(3) THE AUTHORITY SHALL ONLY PROVIDE ON-BILL FINANCING FOR PACKAGES OF ENERGY EFFICIENCY MEASURES THAT IT DETERMINES TO BE COST-EFFECTIVE. PACKAGES OF ENERGY EFFICIENCY MEASURES SHALL BE DEEMED COST-EFFECTIVE IF:

(A) BASED UPON THE MOST RECENT CUSTOMER DATA AVAILABLE, ON AN ANNUALIZED BASIS THE MONTHLY ON-BILL REPAYMENT AMOUNT FOR A PACKAGE OF MEASURES DOES NOT EXCEED ONE-TWELFTH OF THE SAVINGS PROJECTED TO RESULT FROM THOSE MEASURES; AND

(B) THE SAVINGS PROJECTIONS ARE BASED UPON STANDARDS SET BY THE AUTHORITY AND THE ESTABLISHED CALCULATIONS FOR PROJECTING ENERGY SAVINGS DURING AN ENERGY AUDIT ARE ADJUSTED BY THE AUTHORITY NO LESS THAN BIANNUALLY USING DATA FROM AUTHORITY EXPERIENCE WITH ITS ENERGY EFFICIENCY PROGRAMS AND OTHER COMPARABLE PROGRAMS;

A PORTION OF THE SAVINGS ACHIEVED BY THE RETROFIT, NOT NECESSARILY ALL SAVINGS, WILL BE SAVINGS ON THE BILL PROVIDED BY THE UTILITY BILLING AND COLLECTING THE MONTHLY ON-BILL REPAYMENT;

(4) THE ON-BILL REPAYMENT PERIOD IS LIMITED SO THAT THE CUSTOMER IS NOT PAYING FOR MEASURES FOR WHICH THE USEFUL LIFE HAS EXPIRED;

(5) COST-EFFECTIVE RETROFITS SHALL NOT BE LIMITED TO MEASURES THAT SAVE ON THE FUEL DELIVERED BY THE UTILITY THAT IS PROVIDING THE BILLING AND COLLECTION SERVICES; AND

(6) CALCULATIONS OF COST-EFFECTIVENESS WITH USE PRICES REASONABLY AVAILABLE TO THE CUSTOMER, AND COSTS AND SAVINGS TO PARTIES OTHER THAN THE CUSTOMER WILL NOT BE USED TO DETERMINE COST-EFFECTIVENESS.

(E) FOR DETERMINING THE COST-EFFECTIVENESS OF THE PROGRAM, CALCULATIONS SHALL CONSIST OF PROGRAM EXPENDITURES SUCH AS ADMINISTRATIVE COSTS, INTEREST SUBSIDIES, MARKETING, AND OTHER COSTS EXCLUSIVE OF CUSTOMER PAYMENTS, AS COMPARED WITH THE VALUE OF SOCIETAL AND ENVIRONMENTAL BENEFITS, SUCH AS POLLUTION AVOIDED, JOBS CREATED, ENERGY SAVED, IMPROVED NATIONAL SECURITY AND OTHER SOCIETAL BENEFITS.

S 7. Section 1005 of the public authorities law is amended by adding a new subdivision 17 to read as follows:

17. TO PROVIDE ITS MUNICIPAL CUSTOMERS WITH ACCESS TO FINANCING FOR ENERGY EFFICIENCY CAPITAL IMPROVEMENTS, BY ESTABLISHING AN ON-BILL FINANCING MECHANISM FOR INSTALLATION OF ENERGY EFFICIENCY MEASURES AND IMPROVEMENTS IN COOPERATION WITH THE NEW YORK STATE ENERGY RESEARCH AND DEVELOPMENT AUTHORITY'S ("NYSERDA") IMPLEMENTATION OF THE GREEN JOBS-GREEN NEW YORK PROGRAM PURSUANT TO NYSERDA'S AUTHORITY UNDER TITLE NINE-A OF ARTICLE EIGHT OF THIS CHAPTER. THE ON-BILL FINANCING MECHANISM SHALL BE ESTABLISHED AS FOLLOWS:

(A) GREEN JOBS-GREEN NEW YORK PROGRAM "PROGRAM" RETROFITS SHALL BE PERFORMED IN ACCORDANCE WITH RESEARCH-BASED, INDUSTRY STANDARDS AS DETERMINED BY THE AUTHORITY;

(B) PERFORMANCE OF RETROFIT WORK SHALL MEET STANDARDS FOR CONTRACTING AS DETERMINED BY THE AUTHORITY;

(C) THE AUTHORITY SHALL ONLY PROVIDE ON-BILL FINANCING FOR PACKAGES OF ENERGY EFFICIENCY MEASURES THAT IT DETERMINES TO BE COST-EFFECTIVE. PACKAGES OF ENERGY EFFICIENCY MEASURES SHALL BE DEEMED COST-EFFECTIVE IF:

(1) BASED UPON THE MOST RECENT CUSTOMER DATA AVAILABLE, ON AN ANNUALIZED BASIS THE MONTHLY ON-BILL REPAYMENT AMOUNT FOR A PACKAGE OF MEASURES DOES NOT EXCEED ONE-TWELFTH OF THE SAVINGS PROJECTED TO RESULT FROM THOSE MEASURES; AND

(2) THE SAVINGS PROJECTIONS ARE BASED UPON STANDARDS SET BY THE AUTHORITY AND THE ESTABLISHED CALCULATIONS FOR PROJECTING ENERGY SAVINGS DURING AN ENERGY AUDIT ARE ADJUSTED BY THE AUTHORITY NO LESS THAN BIANNUALLY USING DATA FROM AUTHORITY EXPERIENCE WITH ITS ENERGY EFFICIENCY PROGRAMS AND OTHER COMPARABLE PROGRAMS;

(D) A PORTION OF THE SAVINGS ACHIEVED BY THE RETROFIT, NOT NECESSARILY ALL SAVINGS, WILL BE SAVINGS ON THE BILL PROVIDED BY THE AUTHORITY OR OTHER ENTITY BILLING AND COLLECTING THE MONTHLY ON-BILL REPAYMENT;

(E) THE ON-BILL REPAYMENT PERIOD IS LIMITED SO THAT THE CUSTOMER IS NOT PAYING FOR MEASURES FOR WHICH THE USEFUL LIFE HAS EXPIRED;

(F) COST-EFFECTIVE RETROFITS SHALL NOT BE LIMITED TO MEASURES THAT SAVE ON THE FUEL DELIVERED BY THE AUTHORITY OR OTHER ENTITY PROVIDING THE BILLING AND COLLECTION SERVICES; AND

(G) IN TESTS OF COST-EFFECTIVENESS, CALCULATIONS OF COSTS AND SAVINGS WILL USE PRICES REASONABLY AVAILABLE TO THE CUSTOMER, AND COSTS AND SAVINGS TO PARTIES OTHER THAN THE CUSTOMER WILL NOT BE USED TO DETERMINE COST-EFFECTIVENESS.

(H) MUNICIPAL UTILITIES PROVIDING THIS SERVICE SHALL ADHERE TO CONSUMER PROTECTION PROVISIONS PURSUANT TO ARTICLE TWO OF THE PUBLIC SERVICE LAW.

(I) STANDARDS FOR THE BILLING, COLLECTION AND CONDITIONS OF SERVICE RELATED TO GREEN JOBS-GREEN NEW YORK REPAYMENTS WILL ADHERE TO THE STANDARDS ESTABLISHED IN SUBDIVISION TWO OF SECTION SIXTY-SIX-M OF THE PUBLIC SERVICE LAW.

(J) THE AUTHORITY SHALL ESTABLISH SUCH ON-BILL FINANCING MECHANISM WITHIN FORTY-FIVE DAYS OF THE EFFECTIVE DATE OF THIS SUBDIVISION.

S 8. Sections 1020-hh, 1020-ii and 1020-jj of the public authorities law, such sections as renumbered by chapter 433 of the laws of 2009, are renumbered sections 1020-ii, 1020-jj and 1020-kk, and a new section 1020-hh is added to read as follows:

S 1020-HH. GREEN JOBS-GREEN NEW YORK PROGRAM. THE AUTHORITY SHALL PROVIDE ITS CUSTOMERS WITH ACCESS TO FINANCING FOR ENERGY EFFICIENCY CAPITAL IMPROVEMENTS, BY ESTABLISHING AN ON-BILL FINANCING MECHANISM FOR INSTALLATION OF ENERGY EFFICIENCY MEASURES AND IMPROVEMENTS IN COOPERATION WITH THE NEW YORK STATE ENERGY RESEARCH AND DEVELOPMENT AUTHORI-

TY'S ("NYSERDA") IMPLEMENTATION OF THE GREEN JOBS-GREEN NEW YORK PROGRAM PURSUANT TO NYSERDA'S AUTHORITY UNDER TITLE NINE-A OF ARTICLE EIGHT OF THIS CHAPTER. THE ON-BILL FINANCING MECHANISM SHALL BE ESTABLISHED AS FOLLOWS:

(A) GREEN JOBS-GREEN NEW YORK PROGRAM "PROGRAM" RETROFITS SHALL BE PERFORMED IN ACCORDANCE WITH RESEARCH-BASED, INDUSTRY STANDARDS AS DETERMINED BY THE AUTHORITY;

(B) PERFORMANCE OF RETROFIT WORK SHALL MEET STANDARDS FOR CONTRACTING AS DETERMINED BY THE AUTHORITY;

(C) THE AUTHORITY SHALL ONLY PROVIDE ON-BILL FINANCING FOR PACKAGES OF ENERGY EFFICIENCY MEASURES THAT IT DETERMINES TO BE COST-EFFECTIVE. PACKAGES OF ENERGY EFFICIENCY MEASURES SHALL BE DEEMED COST-EFFECTIVE IF:

(1) BASED UPON THE MOST RECENT CUSTOMER DATA AVAILABLE, ON AN ANNUALIZED BASIS THE MONTHLY ON-BILL REPAYMENT AMOUNT FOR A PACKAGE OF MEASURES DOES NOT EXCEED ONE-TWELFTH OF THE SAVINGS PROJECTED TO RESULT FROM THOSE MEASURES; AND THE SAVINGS PROJECTIONS ARE BASED UPON STANDARDS SET BY THE AUTHORITY AND THE ESTABLISHED CALCULATIONS FOR PROJECTING ENERGY SAVINGS DURING AN ENERGY AUDIT ARE ADJUSTED BY THE AUTHORITY NO LESS THAN BIANNUALLY USING DATA FROM AUTHORITY EXPERIENCE WITH ITS ENERGY EFFICIENCY PROGRAMS AND OTHER COMPARABLE PROGRAMS;

(2) A PORTION OF THE SAVINGS ACHIEVED BY THE RETROFIT, NOT NECESSARILY ALL SAVINGS, WILL BE SAVINGS ON THE BILL PROVIDED BY THE AUTHORITY OR OTHER ENTITY BILLING AND COLLECTING THE MONTHLY ON-BILL REPAYMENT;

(3) THE ON-BILL REPAYMENT PERIOD IS LIMITED SO THAT THE CUSTOMER IS NOT PAYING FOR MEASURES FOR WHICH THE USEFUL LIFE HAS EXPIRED;

(4) COST-EFFECTIVE RETROFITS SHALL NOT BE LIMITED TO MEASURES THAT SAVE ON THE FUEL DELIVERED BY THE AUTHORITY OR OTHER ENTITY PROVIDING THE BILLING AND COLLECTION SERVICES; AND

(5) IN TESTS OF COST-EFFECTIVENESS, CALCULATIONS OF COSTS AND SAVINGS WILL USE PRICES REASONABLY AVAILABLE TO THE CUSTOMER, AND COSTS AND SAVINGS TO PARTIES OTHER THAN THE CUSTOMER WILL NOT BE USED TO DETERMINE COST-EFFECTIVENESS.

(D) STANDARDS FOR THE BILLING, COLLECTION AND CONDITIONS OF SERVICE RELATED TO GREEN JOBS-GREEN NEW YORK REPAYMENTS WILL ADHERE TO THE STANDARDS ESTABLISHED IN SUBDIVISION TWO OF SECTION SIXTY-SIX-M OF THE PUBLIC SERVICE LAW.

(E) THE AUTHORITY SHALL ESTABLISH SUCH ON-BILL FINANCING MECHANISM WITHIN FORTY-FIVE DAYS OF THE EFFECTIVE DATE OF THIS SECTION.

S 9. Subparagraphs (ii) and (iii) of paragraph (c) of subdivision 1 of section 1896 of the public authorities law, as added by chapter 487 of the laws of 2009, are amended to read as follows:

(ii) enter into contracts with one or more program implementers to perform such functions as the authority deems appropriate; [and]

(iii) ENTER INTO AGREEMENTS WITH CUSTOMERS AND WITH SUCH STATE OR FEDERAL AGENCIES AS NECESSARY TO DIRECTLY CAPTURE REBATES AND GRANTS AVAILABLE FOR INDIVIDUAL RETROFIT PROJECTS, AND APPLY SUCH FUNDS TO REPAYMENT OF CUSTOMER LOAN OBLIGATIONS; AND

(IV) exercise such other powers as are necessary for the proper administration of the program.

S 10. Subparagraphs (ii) and (iii) of paragraph (b) of subdivision 2 of section 1896 of the public authorities law, as added by chapter 487 of the laws of 2009, are amended to read as follows:

(ii) loans [shall not exceed thirteen thousand dollars per applicant] for approved qualified energy efficiency services for residential structures SHALL BE LIMITED TO THE COST OF A PROJECT DEEMED COST-EFFECTIVE

WITHIN A PERIOD OF FIFTEEN YEARS PLUS THE AMOUNT OF ANY GRANT OR REBATE DIRECTLY RECEIVABLE BY THE AUTHORITY FOR SUCH PROJECT, and SHALL NOT EXCEED twenty-six thousand dollars per applicant for approved qualified energy efficiency services for non-residential structures, and for multi-family structures loans shall be in amounts determined by the authority, provided, however, that the authority shall assure that a significant number of residential structures are included in the program; [and]

(iii) THE CAPITAL AMOUNT TO BE REPAID BY THE CUSTOMER SHALL BE CALCULATED AS THE TOTAL LOAN AMOUNT LESS ANY GRANT OR REBATE FROM ANY STATE OR FEDERAL AGENCY DUE TO THE CUSTOMER PURSUANT TO THE RETROFIT UNDERTAKEN THROUGH THE PROGRAM, AND FOR WHICH NYSERDA HAS SECURED THE CUSTOMER'S PERMISSION TO COLLECT FUNDS DIRECTLY FROM THE ISSUING AGENCY; AND

(IV) loans shall be at interest rates determined by the authority to be no higher than necessary to make the provision of the qualified energy efficiency services feasible.

S 11. Section 242 of the real property law is amended by adding a new subdivision 4 to read as follows:

4. DISCLOSURE PRIOR TO THE SALE OF REAL PROPERTY TO WHICH A GREEN JOBS-GREEN NEW YORK ON-BILL CHARGE APPLIES. ANY PERSON, FIRM, COMPANY, PARTNERSHIP OR CORPORATION OFFERING TO SELL REAL PROPERTY TO WHICH AN ELECTRIC OR GAS GREEN JOBS-GREEN NEW YORK ON-BILL CHARGE APPLIES PURSUANT TO SECTION SIXTY-SIX-M OF THE PUBLIC SERVICE LAW SHALL PROVIDE WRITTEN NOTICE TO THE PROSPECTIVE PURCHASER OR THE PROSPECTIVE PURCHASER'S AGENT, STATING AS FOLLOWS: "THIS PROPERTY IS SUBJECT TO A GREEN JOBS-GREEN NEW YORK ON-BILL CHARGE." THE NOTICE SHALL BE PROVIDED PRIOR TO THE ACCEPTANCE OF AN OFFER TO PURCHASE SUCH REAL PROPERTY AND MUST STATE THAT THE PURCHASER MUST ACCEPT THE OBLIGATION TO PAY THE GREEN JOBS-GREEN NEW YORK ON-BILL CHARGE, AND THAT NEW YORK STATE ENERGY RESEARCH AND DEVELOPMENT AUTHORITY MUST IN WRITING OR BY EMAIL CERTIFY RECEIPT OF WRITTEN ACCEPTANCE OF THE OBLIGATION BY PURCHASER, BEFORE THE SALE CAN BE COMPLETED. IN ADDITION, SUCH NOTICE SHALL ALSO STATE THE AMOUNT, TERM, AND PURPOSE OF THE ON-BILL CHARGE.

S 12. This act shall take effect immediately; provided, however, the amendments to subdivision 6 of section 18-a of the public service law, made by section three of this act shall not affect the repeal of such subdivision and shall be deemed repealed therewith.