

5103

2009-2010 Regular Sessions

I N A S S E M B L Y

February 10, 2009

Introduced by M. of A. BRODSKY -- read once and referred to the Committee on Energy

AN ACT in relation to establishing a plan to promote increased residential use of energy efficient modalities

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

1 Section 1. Plan to promote increased use of energy efficient modali-
2 ties. The president of the New York state energy research and develop-
3 ment authority and the executive director of the dormitory authority, in
4 consultation with the chair of the public service commission, the presi-
5 dents of the power authority of the state of New York and Long Island
6 power authority and responsible officials of one or more private elec-
7 tric and gas utility companies that operate within the state, shall
8 establish a plan complying with section two of this act to promote
9 increased residential use of energy efficient modalities among customers
10 of public and private electric and gas utilities within the state. Such
11 plan shall be completed not later than December 1, 2009. The completed
12 plan shall be presented to the boards of the New York state energy
13 research and development authority and the dormitory authority. If the
14 plan is not approved by both such boards, the president of the New York
15 state energy research and development authority and the executive direc-
16 tor of the dormitory authority shall work with their respective boards
17 to amend the plan so that the boards may approve the amended plan. If
18 both of the boards shall approve such plan, it shall be presented to the
19 director of the budget, and the secretaries of the senate finance
20 committee and the assembly ways and means committee and to the ranking
21 minority member on each such committee. If the boards shall not approve
22 a plan by April 1, 2010, the president of the New York state energy
23 research and development authority shall so report to the director of
24 the budget, the temporary president of the senate and the speaker of the
25 assembly.

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

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1 S 2. Elements of a plan to promote increased residential use of energy
2 efficient modalities. The plan required to be established by section one
3 of this act shall contain the following elements:

4 1. An equipment and utilization plan. Such a plan shall favor renewa-
5 ble sources of energy and shall contain, at a minimum, the following
6 elements separately for electrical energy efficiency, and gas and other
7 fossil fuel energy efficiency:

8 (a) A description of energy efficient modalities to be promoted under
9 the plan, which description may include specific individual items of
10 equipment, generic descriptions of types of equipment, and equipment
11 without descriptions except for quantitative energy use reduction goals.

12 (b) Criteria by which determinations can be made as to which energy
13 consumers may qualify for each of the selected energy efficient modali-
14 ties, individually or by class. Such criteria shall be based on objec-
15 tive factors leading to the judgment that such consumers can benefit
16 from a specific modality.

17 (c) Criteria for establishing a cost-benefit analysis for items or
18 types of equipment in various environments.

19 2. A marketing plan. Such a plan should provide overall guidance to
20 all participants of the plan to assure appropriate penetration of the
21 available markets for each classification of equipment.

22 3. A financing plan. Such a plan shall contain at a minimum the
23 following elements:

24 (a) A plan for raising funds from private investors to allow residen-
25 tial consumers to purchase energy efficient modalities favored by the
26 equipment and utilization plan, which funds can be repaid by the consum-
27 er in monthly installments in connection with their utility bills.

28 (b) A plan for collection and remittance of such monthly consumer
29 installment payments for the payment of bondholders.

30 (c) A plan for assuring repayment to bondholders by incorporating
31 strong incentives to the consumer to make the necessary payments, or by
32 setting up a fund to cover expected defaults, or both.

33 S 3. Pilot program implementation. 1. Not earlier than ninety days
34 after the submission of the plan required to be submitted by section one
35 of this act, the dormitory authority and the New York energy research
36 and development authority shall begin to activate the plan to promote
37 increased residential use of energy efficient modalities as a pilot
38 program. The authorities shall enter into an agreement with one or more
39 private or public utilities providing electric and/or gas service. Such
40 agreement shall establish marketing responsibilities for the approved
41 energy savings modalities, require the utility to add the monthly
42 installment payments for the acquisition by customers of the utility of
43 any approved energy efficient modalities and to collect and remit such
44 payments as required by the agreement for the repayment of bonds issued
45 by the dormitory authority pursuant to section four of this act. The
46 agreement shall provide for an appropriate administrative fee to be
47 withheld by the utility to compensate it for its services. Such agree-
48 ment shall be limited to purchases of energy saving modalities during a
49 period not to exceed three years, provided, however, that the agreement
50 shall provide for servicing of accounts by the utility through the life
51 of the bonds issued by the dormitory authority pursuant to section four
52 of this act.

53 2. Not later than two years after the inception of the plan, the
54 dormitory authority and the New York state energy research and develop-
55 ment authority shall provide to the director of the budget, the secre-
56 taries of the senate finance committee and assembly ways and means

1 committee and the ranking minority member of the senate finance commit-
2 tee and assembly ways and means committee a report detailing the
3 progress of the program during the first eighteen months of its opera-
4 tion. The authorities shall update the report for each three-month peri-
5 od following the first eighteen months.

6 S 4. Dormitory authority bonds. The dormitory authority may issue its
7 bonds and notes up to the maximum amount of five million dollars for the
8 purpose of financing the purchase of energy efficient modalities by
9 consumers which bonds and notes shall be secured by a pledge of install-
10 ment payments due from the purchasers of energy efficient modalities and
11 payable through the cooperating utility.

12 S 5. This act shall take effect immediately.