

2715

2009-2010 Regular Sessions

I N S E N A T E

February 27, 2009

Introduced by Sen. THOMPSON -- 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, in relation to requiring certain providers of electric service to purchase electricity from eligible electric generators; establishing a rate schedule for certain renewable energy projects; prescribing the powers and duties of certain state agencies and officials; and requiring a report to the governor and the legislature concerning the effect of the purchase by providers of electric service of electricity generated from renewable energy sources

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

1 Section 1. Legislative intent and purpose. It is the intent of the
2 legislature to enable the rapid and sustainable development of the
3 state's abundant renewable energy resources for the clean generation of
4 electricity and to allow all New York citizens to participate in renewa-
5 ble electricity generation.
6 Doing so will reduce the volatility of future electricity prices and
7 the long-term costs of electricity, and it will have the effect of
8 protecting the state's natural resources, including protecting its
9 atmosphere from air pollution and its climate from global warming.
10 Further, such measures shall place New York at the forefront of North
11 America's renewable energy revolution, stimulating the development of
12 new jobs, technologies, and industry within the state and creating a New
13 York marketplace for the development of renewable energy.
14 S 2. This act shall be known and may be cited as the "New York renewa-
15 ble energy sources act".
16 S 3. The public service law is amended by adding a new section 66-m to
17 read as follows:

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

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1 S 66-M. RENEWABLE ENERGY RESOURCES TARIFF. 1. AS USED IN THIS
2 SECTION: (A) "ADEQUATE RENEWABLE ENERGY DEVELOPMENT" MEANS A RATE OF
3 DEVELOPMENT NECESSARY TO ACCOMPLISH THE RENEWABLE ENERGY OBJECTIVES AND
4 STANDARDS AS DETERMINED BY THE COMMISSION AND WHICH SHALL REQUIRE EACH
5 ELECTRIC UTILITY SHALL MAKE A GOOD FAITH EFFORT TO GENERATE OR PROCURE
6 SUFFICIENT ELECTRICITY GENERATED BY AN ELIGIBLE ENERGY TECHNOLOGY TO
7 PROVIDE ITS RETAIL CONSUMERS, OR THE RETAIL CUSTOMERS OF A DISTRIBUTION
8 UTILITY TO WHICH THE ELECTRIC UTILITY PROVIDES WHOLESALE ELECTRIC
9 SERVICE, SO THAT COMMENCING IN TWO THOUSAND TEN, AT LEAST ONE PERCENT OF
10 THE ELECTRIC UTILITY'S TOTAL RETAIL ELECTRIC SALES TO RETAIL CUSTOMERS
11 IN NEW YORK IS GENERATED BY ELIGIBLE ENERGY TECHNOLOGIES AND SEVEN
12 PERCENT OF THE ELECTRIC UTILITY'S TOTAL RETAIL ELECTRIC SALES TO RETAIL
13 CUSTOMERS IN NEW YORK BY TWO THOUSAND FIFTEEN IS GENERATED BY ELIGIBLE
14 ENERGY TECHNOLOGIES;

15 (B) "AVERAGE SPECIFIC YIELD" MEANS THE AVERAGE NUMBER OF KILOWATT
16 HOURS PRODUCED DURING THE INITIAL FIVE YEARS OF PRODUCT OF A WIND ENERGY
17 CONVERSION SYSTEM, EXCLUDING THE MAXIMUM AND MINIMUM YEARS OF
18 PRODUCTION, DIVIDED BY THE ROTOR-SWEPT AREA IN SQUARE METERS;

19 (C) "CAPACITY" MEANS THE NAMEPLATE CAPACITY OF A RENEWABLE ELECTRICITY
20 GENERATOR;

21 (D) "ELECTRIC UTILITY" MEANS A PUBLIC UTILITY PROVIDING ELECTRIC
22 SERVICE, A GENERATION AND TRANSMISSION COOPERATIVE ELECTRIC ASSOCIATION,
23 A MUNICIPAL POWER AGENCY, OR A POWER DISTRICT PROVIDING ELECTRICITY TO
24 STATE RESIDENTS;

25 (E) "ELECTRICAL DISTRIBUTION SYSTEM" MEANS THAT PORTION OF THE ELEC-
26 TRIC POWER SYSTEM OVER WHICH THE FEDERAL ENERGY REGULATORY COMMISSION
27 DOES NOT HAVE AUTHORITY TO INTERCONNECT ELECTRIC GENERATORS THAT SELL
28 ELECTRICITY IN INTRASTATE COMMERCE ONLY;

29 (F) "ELIGIBLE ENERGY TECHNOLOGY" MEANS AN ENERGY TECHNOLOGY THAT
30 GENERATES ELECTRICITY FROM THE FOLLOWING RENEWABLE ENERGY SOURCES:

31 (1) SOLAR;

32 (2) WIND;

33 (3) HYDROELECTRIC WITH A CAPACITY OF LESS THAN ONE HUNDRED MEGAWATTS;

34 (4) HYDROGEN, PROVIDED THAT AFTER JANUARY FIRST, TWO THOUSAND ELEVEN,
35 THE HYDROGEN MUST BE GENERATED FROM THE RESOURCES LISTED IN THIS CLAUSE;
36 OR

37 (5) BIOMASS, WHICH INCLUDES, WITHOUT LIMITATION, LANDFILL GAS, AN
38 ANAEROBIC DIGESTER SYSTEM, AND AN ENERGY RECOVERY FACILITY USED TO
39 CAPTURE THE HEAT VALUE OF MIXED MUNICIPAL SOLID WASTE OR REFUSE-DERIVED
40 FUEL FROM MIXED MUNICIPAL SOLID WASTE AS A PRIMARY FUEL;

41 (G) "FACADE CLADDING PROJECT" MEANS A PROJECT IN WHICH A PHOTOVOLTAIC
42 DEVICE IS ATTACHED TO THE WALL OF A BUILDING;

43 (H) "OPEN FIELD PROJECT" MEANS A PHOTOVOLTAIC DEVICE THAT HAS NO PHYS-
44 ICAL CONNECTION TO A BUILDING OTHER THAN ELECTRIC LINES TO TRANSPORT
45 ELECTRICITY;

46 (I) "PHOTOVOLTAIC DEVICE" MEANS A SYSTEM OF COMPONENTS THAT GENERATES
47 ELECTRICITY FROM INCIDENT SUNLIGHT BY MEANS OF THE PHOTOVOLTAIC EFFECT,
48 WHETHER OR NOT THE DEVICE IS ABLE TO STORE THE ENERGY PRODUCED FOR LATER
49 USE;

50 (J) "QUALIFYING OWNER" MEANS:

51 (1) A NEW YORK STATE RESIDENT;

52 (2) A LIMITED LIABILITY COMPANY THAT IS ORGANIZED UNDER THE LIMITED
53 LIABILITY COMPANY LAW AND THAT IS MADE UP OF MEMBERS WHO ARE NEW YORK
54 STATE RESIDENTS;

55 (3) A NEW YORK NOT-FOR-PROFIT ORGANIZATION ORGANIZED UNDER THE
56 NOT-FOR-PROFIT CORPORATION LAW;

1 (4) A NEW YORK COOPERATIVE ASSOCIATION ORGANIZED UNDER THE COOPERATIVE
2 CORPORATIONS LAW INCLUDING A RURAL ELECTRIC COOPERATIVE ASSOCIATION OR A
3 GENERATION AND TRANSMISSION COOPERATIVE ON BEHALF OF AND AT THE REQUEST
4 OF A MEMBER DISTRIBUTION UTILITY;

5 (5) A NEW YORK POLITICAL SUBDIVISION OR LOCAL GOVERNMENT INCLUDING,
6 BUT NOT LIMITED TO, A MUNICIPAL ELECTRIC UTILITY, OR A MUNICIPAL POWER
7 AGENCY ON BEHALF OF AND AT THE REQUEST OF A MEMBER DISTRIBUTION UTILITY,
8 A COUNTY, STATUTORY OR HOME RULE CHARTER CITY, TOWN, SCHOOL DISTRICT, OR
9 PUBLIC OR PRIVATE HIGHER EDUCATION INSTITUTION OR ANY OTHER LOCAL OR
10 REGIONAL GOVERNMENTAL ORGANIZATION SUCH AS A BOARD, COMMISSION, OR ASSO-
11 CIATION; OR

12 (6) A TRIBAL COUNCIL;

13 (K) "REASONABLE PROFIT" MEANS A RATE OF PROFIT THAT IS JUST AND
14 REASONABLE, BUT NOT LESS THAN TEN PERCENT PER YEAR;

15 (L) "RENEWABLE ELECTRICITY GENERATOR" MEANS A PROJECT:

16 (1) THAT GENERATES ELECTRICAL ENERGY BY MEANS OF AN ELIGIBLE ENERGY
17 TECHNOLOGY, BUT DOES NOT INCLUDE AN ENERGY RECOVERY FACILITY USED TO
18 CAPTURE THE HEAT VALUE OF MIXED MUNICIPAL SOLID WASTE OR REFUSE-DERIVED
19 FUEL FROM MIXED MUNICIPAL SOLID WASTE AS A PRIMARY FUEL; AND

20 (2) IN WHICH ONE OR MORE QUALIFYING OWNERS HAVE AT LEAST A FIFTY-ONE
21 PERCENT OWNERSHIP INTEREST;

22 (M) "ROOFTOP PROJECT" MEANS A PROJECT IN WHICH A PHOTOVOLTAIC DEVICE
23 IS PHYSICALLY ATTACHED TO THE ROOF OF A BUILDING;

24 (N) "ROTOR-SWEPT AREA" MEANS AN AREA EQUAL TO 3.1416 MULTIPLIED BY THE
25 SQUARE OF THE LENGTH OF THE ROTOR OF A WIND ENERGY CONVERSION SYSTEM;

26 (O) "SMALL WIND TURBINE" MEANS A SINGLE WIND TURBINE WITH A
27 ROTOR-SWEPT AREA OF NO MORE THAN ONE THOUSAND SQUARE FEET; AND

28 (P) "WIND ENERGY CONVERSION SYSTEM" MEANS ANY DEVICE, SUCH AS A WIND
29 CHARGER, WINDMILL, OR WIND TURBINE, WHICH CONVERTS WIND ENERGY TO A FORM
30 OF USABLE ENERGY.

31 2. A TARIFF IS ESTABLISHED TO PROVIDE OPPORTUNITIES FOR STATE RESI-
32 DENTS TO OWN AND INVEST IN RENEWABLE ELECTRICITY GENERATION AND REQUIR-
33 ING UTILITIES TO PURCHASE ELECTRICAL ENERGY AT A JUST AND REASONABLE
34 PRICE FROM STATE-OWNED RENEWABLE ELECTRICITY GENERATION PROJECTS
35 CONNECTED TO THE ELECTRICAL DISTRIBUTION SYSTEM IN ACCORDANCE WITH THE
36 STANDARD TERMS AND RATES PROVIDED IN THIS SECTION.

37 3. ON OR BEFORE DECEMBER FIRST, TWO THOUSAND NINE, EACH ELECTRIC UTIL-
38 ITY PROVIDING ELECTRIC SERVICE WITHIN THE STATE AT RETAIL COST SHALL
39 FILE FOR COMMISSION APPROVAL A TARIFF CONSISTENT WITH THE PROVISIONS OF
40 THIS SECTION. THE COMMISSION SHALL RENDER A DECISION WITHIN THREE MONTHS
41 FROM THE DATE ON WHICH THE SCHEDULE IS FILED.

42 4. EACH ELECTRIC UTILITY SHALL ENTER INTO A POWER PURCHASE AGREEMENT
43 WITH THE QUALIFYING OWNERS OF A RENEWABLE ELECTRICITY GENERATOR
44 CONNECTED TO THE ELECTRICAL DISTRIBUTION SYSTEM TO PURCHASE ALL OF THE
45 ELECTRICITY PRODUCED BY THE RENEWABLE ELECTRICITY GENERATOR. THE TERM OF
46 THE POWER PURCHASE AGREEMENT MUST NOT BE LESS THAN TWENTY YEARS FROM THE
47 DATE OF COMMISSIONING OF THE RENEWABLE ELECTRICITY GENERATOR. THE RATES
48 OF THE POWER PURCHASE AGREEMENT MUST BE THE RATES ESTABLISHED BY THE
49 COMMISSION UNDER SUBDIVISION FIVE OF THIS SECTION.

50 5. THE TARIFF DESCRIBED IN SUBDIVISION TWO OF THIS SECTION SHALL HAVE
51 A RATE SCHEDULE AS FOLLOWS:

52 (A) THE RATE FOR ELECTRICITY GENERATED BY A WIND ENERGY CONVERSION
53 SYSTEM SHALL BE THE RATE NEEDED TO ENSURE ADEQUATE RENEWABLE ENERGY
54 DEVELOPMENT, PLUS A REASONABLE PROFIT, BUT NO LESS THAN THE FOLLOWING:

55 (1) FOR YEARS ONE THROUGH FIVE FOLLOWING THE COMMISSIONING OF THE
56 PROJECT, \$0.105 PER KILOWATT HOUR;

1 (2) FOR YEARS SIX THROUGH TWENTY FOLLOWING COMMISSIONING OF THE
2 PROJECT:

3 (I) \$0.105 PER KILOWATT HOUR FOR PROJECTS WITH AN AVERAGE SPECIFIC
4 YIELD LESS THAN SEVEN HUNDRED KILOWATT HOURS PER SQUARE METER PER YEAR;

5 (II) \$0.08 PER KILOWATT HOUR FOR PROJECTS WITH AN AVERAGE SPECIFIC
6 YIELD GREATER THAN ELEVEN HUNDRED KILOWATT HOURS PER SQUARE METER PER
7 YEAR; AND

8 (III) A LINEAR EXTRAPOLATION BETWEEN THE RATES IN CLAUSES (I) AND (II)
9 OF THIS SUBPARAGRAPH FOR A PROJECT WITH AN AVERAGE SPECIFIC YIELD GREAT-
10 ER THAN SEVEN HUNDRED KILOWATT HOURS PER SQUARE METER PER YEAR BUT LESS
11 THAN ELEVEN HUNDRED KILOWATT HOURS PER SQUARE METER PER YEAR; AND

12 (3) FOR A SMALL WIND ENERGY CONVERSION SYSTEM, \$0.25 PER KILOWATT
13 HOUR.

14 (B) THE RATE FOR ELECTRICITY GENERATED FROM HYDROELECTRIC POWER MUST
15 BE THE LOWEST RATE NEEDED TO ENSURE ADEQUATE RENEWABLE ENERGY DEVELOP-
16 MENT, PLUS A REASONABLE PROFIT, BUT NO LESS THAN THE FOLLOWING:

17 (1) \$0.10 PER KILOWATT HOUR FOR A PROJECT WITH A CAPACITY BELOW FIVE
18 HUNDRED KILOWATTS;

19 (2) \$0.085 PER KILOWATT HOUR FOR A PROJECT WITH A CAPACITY OF FIVE
20 HUNDRED KILOWATTS BUT LESS THAN TEN MEGAWATTS; AND

21 (3) \$0.065 PER KILOWATT HOUR FOR A PROJECT WITH A CAPACITY OF AT LEAST
22 TEN MEGAWATTS BUT LESS THAN TWENTY MEGAWATTS.

23 (C) THE RATE FOR ELECTRICITY GENERATED BY AN ANAEROBIC DIGESTER SYSTEM
24 OR OTHER BIOMASS SYSTEM THAT OPERATES AT AN EFFICIENCY OF SIXTY PERCENT
25 OR GREATER, MUST BE THE RATE NEEDED TO ENSURE ADEQUATE RENEWABLE ENERGY
26 DEVELOPMENT, PLUS A REASONABLE PROFIT, BUT NO LESS THAN THE FOLLOWING:

27 (1) \$0.145 PER KILOWATT HOUR FOR A PROJECT WITH A CAPACITY BELOW ONE
28 HUNDRED FIFTY KILOWATTS;

29 (2) \$0.125 PER KILOWATT HOUR FOR A PROJECT WITH A CAPACITY OF AT LEAST
30 ONE HUNDRED FIFTY KILOWATTS BUT LESS THAN FIVE HUNDRED KILOWATTS;

31 (3) \$0.115 PER KILOWATT HOUR FOR A PROJECT WITH A CAPACITY GREATER
32 THAN FIVE HUNDRED KILOWATTS BUT LESS THAN FIVE MEGAWATTS; AND

33 (4) \$0.105 PER KILOWATT HOUR FOR A PROJECT WITH A CAPACITY OF AT LEAST
34 FIVE MEGAWATTS BUT LESS THAN TWENTY MEGAWATTS.

35 (D) THE RATE FOR ELECTRICITY GENERATED BY LANDFILL GAS THAT OPERATES
36 AT AN EFFICIENCY OF SIXTY PERCENT OR GREATER MUST BE THE RATE NEEDED TO
37 ENSURE ADEQUATE RENEWABLE ENERGY DEVELOPMENT, PLUS A REASONABLE PROFIT,
38 BUT NO LESS THAN THE FOLLOWING:

39 (1) \$0.10 PER KILOWATT HOUR FOR A PROJECT WITH A CAPACITY UNDER FIVE
40 HUNDRED KILOWATTS; AND

41 (2) \$0.085 PER KILOWATT HOUR FOR A PROJECT WITH A CAPACITY OF FIVE
42 HUNDRED KILOWATTS OR MORE.

43 (E) THE RATE FOR ELECTRICITY GENERATED BY A PHOTOVOLTAIC DEVICE MUST
44 BE THE RATE NEEDED TO ENSURE ADEQUATE RENEWABLE ENERGY DEVELOPMENT PLUS
45 A REASONABLE PROFIT, BUT NO LESS THAN THE FOLLOWING:

46 (1) \$0.50 PER KILOWATT HOUR FOR A FREE STANDING OR OPEN FIELD PROJECT;

47 (2) \$0.65 PER KILOWATT HOUR FOR A ROOFTOP PROJECT WITH A CAPACITY
48 BELOW THIRTY KILOWATTS;

49 (3) \$0.62 PER KILOWATT HOUR FOR A ROOFTOP PROJECT WITH A CAPACITY OF
50 AT LEAST THIRTY KILOWATTS BUT LESS THAN ONE HUNDRED KILOWATTS;

51 (4) \$0.61 PER KILOWATT HOUR FOR A ROOFTOP PROJECT WITH A CAPACITY OF
52 ONE HUNDRED KILOWATTS OR MORE;

53 (5) \$0.71 PER KILOWATT HOUR FOR A FACADE CLADDING PROJECT WITH A
54 CAPACITY BELOW THIRTY KILOWATTS;

1 (6) \$0.68 PER KILOWATT HOUR FOR A FACADE CLADDING PROJECT WITH A
2 CAPACITY OF AT LEAST THIRTY KILOWATTS BUT LESS THAN ONE HUNDRED KILO-
3 WATTS; AND

4 (7) \$0.67 PER KILOWATT HOUR FOR A FACADE CLADDING PROJECT WITH A
5 CAPACITY OF ONE HUNDRED KILOWATTS OR MORE.

6 FOR THE PURPOSES OF THIS SUBDIVISION, "EFFICIENCY" MEANS THE SUM OF
7 THE NET USEFUL POWER OUTPUT PLUS THE NET USEFUL THERMAL OUTPUT OF AN
8 ELECTRICITY GENERATING SYSTEM, WHICH SUM IS THEN DIVIDED BY THE TOTAL
9 FUEL INPUT.

10 6. THE COMMISSION SHALL NOT APPROVE A TARIFF ESTABLISHED IN THIS
11 SECTION THAT ALLOWS A PROJECT OWNER TO RECEIVE FEDERAL OR STATE SUBSI-
12 DIES, TAX CREDITS, OR OTHER FINANCIAL INCENTIVES AVAILABLE TO OWNERS OF
13 RENEWABLE ELECTRIC GENERATION FACILITIES, UNLESS THE TARIFF REQUIRES
14 THAT THOSE SUBSIDIES, TAX CREDITS, OR OTHER FINANCIAL INCENTIVES ARE
15 DEDUCTED FROM THE AMOUNTS PAID TO THE PROJECT OWNER. THIS SUBDIVISION
16 DOES NOT APPLY TO FINANCIAL INCENTIVES AVAILABLE TO BUSINESSES THAT DO
17 NOT GENERATE ELECTRICITY FROM RENEWABLE SOURCES.

18 7. DURING THE TERM OF A POWER PURCHASE AGREEMENT ENTERED INTO UNDER
19 THE TARIFF ESTABLISHED IN THIS SECTION, NO QUALIFYING OWNER MAY VOLUN-
20 TARILY SELL ITS OWNERSHIP INTEREST IN THE RENEWABLE ENERGY GENERATOR
21 UNLESS THE SALE IS TO ANOTHER QUALIFYING OWNER AND IS APPROVED BY THE
22 COMMISSION. THIS SUBDIVISION DOES NOT RESTRICT TRANSFERS OF INTEREST BY
23 MEANS OTHER THAN VOLUNTARY SALES.

24 8. (A) BEGINNING FEBRUARY FIRST, TWO THOUSAND TWELVE, AND EVERY TWO
25 YEARS THEREAFTER, THE COMMISSION SHALL REVIEW AND ADJUST RATES ADOPTED
26 UNDER THE TARIFF IN THIS SECTION EVERY TWO YEARS AS NECESSARY TO ACHIEVE
27 ADEQUATE RENEWABLE ENERGY DEVELOPMENT; ACCOUNT FOR INFLATION; PROVIDE
28 FOR A REASONABLE, BUT NOT EXCESSIVE, PROFIT TO OWNERS OF RENEWABLE ELEC-
29 TRICITY GENERATORS; PROMOTE DEVELOPMENT OF COMMUNITY-BASED ENERGY DEVEL-
30 OPMENT PROJECTS; AND MINIMIZE COSTS TO RATEPAYERS OF A UTILITY'S COMPLI-
31 ANCE WITH APPLICABLE STATE OR FEDERAL RENEWABLE ENERGY STANDARDS.

32 (B) THE COMMISSION MAY, AFTER NOTICE AND HEARING, REQUIRE ELECTRIC
33 UTILITIES TO ENTER INTO POWER PURCHASE AGREEMENTS WITH QUALIFYING OWNERS
34 AT RATES IN ACCORDANCE WITH SUBDIVISION FIVE OF THIS SECTION AS ARE
35 NECESSARY TO ACHIEVE ADEQUATE RENEWABLE ENERGY DEVELOPMENT UPON SUCH
36 TERMS NEEDED TO ENSURE ACCOMPLISHMENT OF COMMUNITY-BASED ENERGY DEVELOP-
37 MENT PROJECT PROCUREMENT GOALS AND ADEQUATE LOCAL BENEFITS.

38 9. THE TARIFF IN THIS SECTION MUST PROVIDE THAT ELECTRIC UTILITIES
39 WILL INTERCONNECT RENEWABLE ENERGY GENERATORS TO THE ELECTRICAL DISTRIB-
40 UTION SYSTEM UNDER THE JURISDICTION OF THE COMMISSION TO THE MAXIMUM
41 EXTENT OF STATE JURISDICTION ALLOWED UNDER FEDERAL LAW. THE COMMISSION
42 SHALL CONSULT WITH THE FEDERAL ENERGY REGULATORY COMMISSION AND OTHER
43 APPROPRIATE ENTITIES TO ESTABLISH AN INTERCONNECTION REQUEST REVIEW
44 PROCEDURE TO PROMPTLY AND EFFICIENTLY DETERMINE WHETHER OR NOT THE
45 COMMISSION MAY INTERCONNECT A RENEWABLE ENERGY GENERATOR THAT REQUESTS
46 INTERCONNECTION UNDER STATE AUTHORITY. THE COMMISSION SHALL ISSUE
47 ORDERS NECESSARY TO ESTABLISH INTERCONNECTION TARIFFS FOR THE STANDARD-
48 IZED, COST-EFFECTIVE, TIMELY, RELIABLE, AND SAFE INTERCONNECTION OF
49 RENEWABLE ELECTRICITY GENERATORS UNDER STATE AUTHORITY. THE COMMISSION
50 SHALL ESTABLISH STANDARD INTERCONNECTION CONTRACTS AND INTERCONNECTION
51 SCHEDULES. THE COSTS ASSOCIATED WITH THE INTERCONNECTION OF RENEWABLE
52 ELECTRICITY GENERATORS, INCLUDING DIRECT INTERCONNECTION COSTS, DISTRIB-
53 UTION SYSTEM ENHANCEMENTS, AND ELECTRIC UTILITY COMPLIANCE COSTS, ARE
54 RECOVERABLE AS PROVIDED IN SUBDIVISION ELEVEN OF THIS SECTION.

55 10. THE COMMISSION SHALL APPROVE A STANDARD CONTRACT TO BE USED IN ALL
56 POWER PURCHASE AGREEMENTS UNDER THE TARIFF ESTABLISHED UNDER THIS

1 SECTION. THE CONTRACT SHALL INCLUDE THE PRICE PAID FOR EACH KILOWATT
2 HOUR GENERATED, A METHOD TO ADJUST THE PRICE FOR INFLATION, AND THE
3 DURATION OF THE CONTRACT.

4 11. THE COMMISSION SHALL REQUIRE AN ELECTRIC UTILITY TO FILE RATE
5 SCHEDULES CONTAINING PROVISIONS FOR THE AUTOMATIC ADJUSTMENT OF CHARGES
6 FOR ELECTRIC UTILITY SERVICE IN DIRECT RELATION TO THE COST OF ELECTRIC-
7 ITY PURCHASED FROM RENEWABLE ELECTRICITY GENERATORS UNDER THE TARIFF
8 ESTABLISHED UNDER SUBDIVISION FIVE OF THIS SECTION AND ALL OTHER COSTS
9 REQUIRED TO COMPLY WITH THE TARIFF.

10 12. RENEWABLE ENERGY GENERATORS, QUALIFYING OWNERS THAT OWN ALL OR
11 PART OF A RENEWABLE ENERGY GENERATOR, AND ELECTRIC UTILITIES SHALL, UPON
12 REQUEST, PROVIDE THE COMMISSION ANY INFORMATION THAT MAY BE RELEVANT TO
13 THE COMMISSION PERFORMING ITS DUTIES UNDER THIS SECTION, INCLUDING BUT
14 NOT LIMITED TO ASSESSMENT OF PROJECT DEVELOPMENT COSTS, EQUIPMENT COSTS,
15 ELECTRICITY PRODUCTION COSTS, INTERCONNECTION COSTS, AUTOMATIC RATE
16 ADJUSTMENTS, AND COMPLIANCE COSTS.

17 13. BY JANUARY FIRST OF TWO THOUSAND ELEVEN AND TWO THOUSAND TWELVE,
18 AND EVERY FOUR YEARS THEREAFTER, THE COMMISSION SHALL SUBMIT A REPORT TO
19 THE GOVERNOR AND LEGISLATURE THAT SHALL INCLUDE THE FOLLOWING:

20 (A) THE NUMBER OF NEW RENEWABLE ELECTRICITY GENERATORS IN THIS STATE
21 AND THE ENVIRONMENTAL EFFECTS OF THE ADDITION OF THOSE GENERATORS;

22 (B) RECOMMENDATIONS FOR LEGISLATION AND CHANGES TO THE RATES IN SUBDI-
23 VISION FOUR OF THIS SECTION, IF ANY; AND

24 (C) ACTIONS TAKEN BY THE COMMISSION TO IMPLEMENT THE PROVISIONS OF
25 THIS SECTION AND TO USE THE TARIFF TO ACHIEVE THE RENEWABLE ENERGY
26 OBJECTIVES AND STANDARDS.

27 S 4. This act shall take effect immediately.