

5380

2009-2010 Regular Sessions

I N S E N A T E

April 27, 2009

Introduced by Sen. PARKER -- 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 providing real time smart metering technology to residential electricity customers

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

1 Section 1. Legislative intent. The legislature intends to provide
2 residential customers with the ability to control and manage electricity
3 usage and the time of usage in their homes. The implementation of a real
4 time pricing smart meter program should help to conserve energy and
5 prevent peak-time system overloads. The expansion of the use of real
6 time pricing smart meters from the commercial and industrial markets to
7 the residential market should benefit consumers with reduced monthly
8 costs and stimulate market competition.
9 S 2. The public service law is amended by adding a new section 39-a to
10 read as follows:
11 S 39-A. REAL TIME PRICING SMART METERING. 1. AS USED IN THIS SECTION,
12 THE TERM "REAL TIME SMART METER" OR "METER" SHALL MEAN A METERING DEVICE
13 THAT HAS THE FOLLOWING CAPABILITIES:
14 (A) COUPLED WITH AN IN-HOME DISPLAY DEVICE THAT CAN DISPLAY REAL TIME
15 USAGE OR DEMAND AND REAL TIME PRICING IN USEFUL COMPARISONS INCLUDING,
16 BUT NOT LIMITED TO, MEANS SUCH AS SIDE BY SIDE BAR GRAPHS OR COLOR CODED
17 SYSTEMS THAT REFLECT CHANGING UTILITY DEMAND AND PRICING;
18 (B) RECORDING AND STORING AND INTERPRETING KILOWATT PER HOUR USER
19 RATES IN ONE-HALF HOUR INTERVALS;
20 (C) COMMUNICATING REAL TIME PRICING THRESHOLDS TO HOME APPLIANCES TO
21 REDUCE APPLIANCE USAGE AS DETERMINED BY THE RATEPAYER OR IN AGREEMENTS
22 WITH AN ENERGY PROVIDER;
23 (D) BEING READ REMOTELY OR RECEIVING DATA FROM, BUT NOT LIMITED TO,
24 THE INTERNET, WIRELESS FIDELITY NETWORK, BROADBAND OVER POWER LINE,

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

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1 POWER LINE CARRIER, ETHERNET, PHONE LINE, WIRELESS CELL PHONE LINE,
2 RADIO FREQUENCY OR OTHER COMMUNICATIONS SYSTEM;

3 (E) STORING USAGE DATA UP TO THREE MONTHS;

4 (F) DETECTING A LOSS OF POWER TO A CUSTOMER WITH IMMEDIATE COMMUNI-
5 CATION OF SUCH LOSS TO THE ENERGY PROVIDER; AND

6 (G) PROVIDING DATA ANALYSIS ON SUCH AS HISTORICAL CONSUMPTION
7 PATTERNS, UTILIZATION RATES, POWER OUTAGES, PEAK DEMAND TIMES AND POWER
8 REQUIREMENTS, COSTS PER KILOWATT HOUR, PRICING, AND USAGE HISTORY.

9 2. (A) THE COMMISSION SHALL PROMOTE THE UTILIZATION OF REAL TIME SMART
10 METERS BY RESIDENTIAL ELECTRICITY CUSTOMERS IN THIS STATE. FURTHERMORE,
11 IT SHALL PROVIDE FOR THE CERTIFICATION OF COMPANIES WHO INSTALL, RENT,
12 SELL, MAINTAIN, REPAIR, ALTER OR REPLACE SUCH METERS.

13 (B) RESIDENTIAL ELECTRICITY CUSTOMERS SHALL HAVE THE OPTION TO CONTIN-
14 UE WITH THEIR PRESENT UTILITY METERING SYSTEM OR ACQUIRING A REAL TIME
15 SMART METER. SUCH METER MAY BE PURCHASED OR RENTED FROM THE SUPPLIER OF
16 ELECTRICITY OR FROM A THIRD PARTY CERTIFIED BY THE COMMISSION TO TRANS-
17 ACT SUCH BUSINESS. PURCHASES MAY BE MADE BY CASH OR BY FINANCING FOR A
18 TERM OF UP TO TWENTY YEARS. RENTAL AGREEMENTS MAY ALSO BE ENTERED INTO
19 ON AN ANNUAL OR TERM OF YEARS BASIS.

20 (C) (I) THE COST OF ELECTRICITY FOR A RESIDENTIAL CUSTOMER WHO ELECTS
21 TO CHANGE TO A REAL TIME SMART METER SHALL BE BASED ON:

22 (1) THE CUSTOMER'S ELECTRICITY USAGE AND TIME OF USAGE; AND

23 (2) A FLAT FEE THAT SHALL INCORPORATE: (A) A GENERATION BID COST; AND
24 (B) SERVICE SIZE COSTS BASED ON THE RESIDENTIAL CUSTOMER'S SERVICE SIZE
25 CAPACITY AS DETERMINED BY THE SUPPLIER OF ELECTRICITY.

26 (II) AN ADDITIONAL SURCHARGE SHALL BE LEVIED ON SUCH RESIDENTIAL
27 CUSTOMER IF SUCH ELECTRICITY USAGE EXCEEDS THE SERVICE SIZE CAPACITY.

28 (III) THE VARIABLE COSTS SHALL BE PAID BY A RESIDENTIAL CUSTOMER FOR
29 ELECTRICITY USED AS INDICATED BY THE REAL TIME SMART METER AND THE FLAT
30 FEE COSTS SHALL BE PAID BY SUCH CUSTOMER, AS DETERMINED BY THE SUPPLIER
31 OF ELECTRICITY AND APPROVED BY THE COMMISSION, AS PART OF THE REGULAR
32 BILLING CYCLE.

33 (D) THE COMMISSION SHALL APPROVE ALL CHARGES, INCLUDING VARIABLE
34 RATES, FIXED RATES AND SURCHARGES.

35 3. ELECTRICITY TRANSFER AND DELIVERY UTILITIES REGULATED BY THE
36 COMMISSION MAY REACH AGREEMENT WITH THE COMMISSION TO FOREGO PARTIC-
37 IPATION IN THE REAL TIME SMART METER PROGRAM FOR AT LEAST TEN YEARS.
38 DURING THIS PERIOD OF TIME NEW METER SERVICE PROVIDERS AND COMMUNITY
39 PROVIDERS WOULD HAVE THE OPPORTUNITY TO PROVIDE SUCH METERS IN THIS
40 MARKET. IF SUCH AN AGREEMENT IS ENTERED INTO, SUCH UTILITIES SHALL BE
41 ALLOWED TO RECEIVE A METER DECOMMISSIONING FEE. THE METER DECOMMISSION-
42 ING FEE SHALL BE AN AMOUNT AGREED UPON BY SUCH UTILITY AND THE COMMIS-
43 SION.

44 4. THE COMMISSION SHALL ESTABLISH REAL TIME SMART METERING PILOT
45 PROGRAMS. A COUNTY LEGISLATURE OR BOARD OF SUPERVISORS MAY PETITION THAT
46 THE COMMISSION APPROVE THE OPERATION OF A REAL TIME SMART METERING PILOT
47 PROGRAM WITHIN ITS JURISDICTION ON AN ACCELERATED BASIS. SUCH PETITION
48 SHALL SET FORTH THE PARAMETERS OF THE PILOT PROGRAM INCLUDING THE
49 CUSTOMERS OF SUCH COUNTY TO BE SERVED, TECHNOLOGIES TO BE USED AND
50 PROVIDE DETAILED PERFORMANCE MEASURES TO BE USED INCLUDING ENERGY
51 CONSERVATION GOALS.

52 S 3. The public service commission shall promulgate rules and regu-
53 lations to implement the provisions of this act. Such rules and regu-
54 lations shall include, but not be limited to, establishing criteria for
55 the operation and approval of all smart metering programs, including
56 those applications submitted by county governments to establish their

1 own real time smart metering programs. A county legislature or board of
2 supervisors may petition the public service commission for approval to
3 establish a local real time smart metering program on or after the three
4 hundred sixty-fifth day after this act shall have become a law. If such
5 petition is denied, the public service commission shall provide in writ-
6 ing the reasons for such denial and provide the conditions and criteria
7 the public service commission maintains would lead to a subsequent
8 application approval. Any county application shall have a public hearing
9 conducted on such application within 120 days of submission of such
10 application to the public service commission and a decision rendered
11 within 120 days after the public hearing has been concluded.

12 S 4. This act shall take effect on the two hundred seventieth day
13 after it shall have become a law; provided, however, that effective
14 immediately the public service commission is authorized to adopt any
15 rules or regulations necessary to implement the provisions of this act
16 on or before such date.