

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

7711--A

I N S E N A T E

May 4, 2010

Introduced by Sen. THOMPSON -- read twice and ordered printed, and when printed to be committed to the Committee on Energy and Telecommunications -- committee discharged, bill amended, ordered reprinted as amended and recommitted to said committee

AN ACT to amend the public service law, in relation to credit for electricity generated by a customer-generator subject to net energy metering

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

- 1 Section 1. Subdivision 4 of section 66-j of the public service law, as
2 amended by chapter 355 of the laws of 2009, is amended to read as
3 follows:
- 4 4. Rates. An electric corporation shall use net energy metering to
5 measure and charge for the net electricity supplied by the corporation
6 and provided to the corporation by a customer-generator, according to
7 these requirements:
- 8 (a) In the event that the amount of electricity supplied by the corpo-
9 ration during the billing period exceeds the amount of electricity
10 provided by a customer-generator, the corporation shall, AFTER DEDUCT-
11 ING, FROM THE AGGREGATE OF UNUSED CREDIT FOR EXCESS ELECTRICITY GENER-
12 ATED BY SUCH CUSTOMER-GENERATOR PRIOR TO SUCH BILLING PERIOD, AN AMOUNT
13 OF CREDIT EQUAL TO THE AMOUNT OF ELECTRICITY SUPPLIED BY THE ELECTRIC
14 CORPORATION, TO THE EXTENT SUCH CREDIT EXISTS, AND MAY THEREAFTER charge
15 the customer-generator for the net electricity supplied, AFTER DEDUCTION
16 OF SUCH CREDITS, at the same rate per kilowatt hour applicable to
17 service provided to other customers in the same service class which do
18 not generate electricity onsite.
- 19 (b) In the event that the amount of electricity produced by a custom-
20 er-generator during the billing period exceeds the amount of electricity
21 used by the customer-generator, the corporation shall (I) apply a credit
22 to the next bill for service to the customer-generator for the net elec-
23 tricity provided at the same rate per kilowatt hour applicable to
24 service provided to other customers in the same service class which do
25 not generate electricity onsite, OR (II) AT THE OPTION OF THE CUSTOMER-

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

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1 GENERATOR, CREDIT SUCH CUSTOMER-GENERATOR WITH THE AMOUNT OF EXCESS
2 KILOWATT HOURS GENERATED IN EXCESS OF ITS USE, AND SUCH CREDIT SHALL BE
3 AGGREGATED INDEFINITELY TO BE USED AS CREDIT AGAINST CHARGES INCURRED
4 PURSUANT TO PARAGRAPH (A) OF THIS SUBDIVISION; except for micro-combined
5 heat and power or fuel cell customer-generators, who will be credited at
6 the corporation's avoided costs. The avoided cost credit provided to
7 micro-combined heat and power or fuel cell customer-generators shall be
8 treated for ratemaking purposes as a purchase of electricity in the
9 market that is includable in commodity costs.

10 (c) At the end of the year or annualized over the period that service
11 is supplied by means of net energy metering, the corporation shall (I)
12 promptly issue payment at its avoided cost to the customer-generator, as
13 defined in subparagraph (i) [or], (ii), (IV) OR (V) of paragraph (a) of
14 subdivision one of this section, for the value of any remaining credit
15 for the excess electricity produced during the year or over the annual-
16 ized period by the customer-generator, OR (II) AT THE OPTION OF THE
17 CUSTOMER-GENERATOR, SHALL CONTINUE TO AGGREGATE SUCH CREDITS, AT THE
18 SAME RATE PER KILOWATT HOUR APPLICABLE TO THE SERVICE PROVIDED TO OTHER
19 CUSTOMERS IN THE SAME SERVICE CLASS WHICH DO NOT GENERATE ELECTRICITY ON
20 SITE, FOR AN INDEFINITE PERIOD OF TIME AND CONTINUE TO ALLOW USE OF SUCH
21 CREDIT TO OFFSET ANY LIABILITY OF THE CUSTOMER-GENERATOR TO THE ELECTRIC
22 CORPORATION DURING BILLING PERIODS IN WHICH THE ELECTRICITY GENERATED BY
23 THE CUSTOMER-GENERATOR IS LESS THAN THAT USED BY SUCH CUSTOMER.

24 (d) In the event that the corporation imposes charges based on kilo-
25 watt demand on customers who are in the same service class as the
26 customer-generator but which do not generate electricity on site, the
27 corporation may impose the same charges at the same rates to the custom-
28 er-generator, provided, however, that the kilowatt demand for such
29 demand charges is determined by the maximum measured kilowatt demand
30 actually supplied by the corporation to the customer-generator during
31 the billing period.

32 (E) IN THE EVENT THAT A CUSTOMER-GENERATOR ELECTS TO ALLOW THE AGGRE-
33 GATION OF ANY CREDITS FOR EXCESS ELECTRICITY GENERATED, THE
34 CUSTOMER-GENERATOR SHALL BE ENTITLED TO AN ACCOUNTING OF SUCH CREDITS
35 ONCE EVERY FIVE YEARS AND UPON SUCH ACCOUNTING, THE ELECTRIC CORPORATION
36 SHALL PROMPTLY ISSUE PAYMENT AT ITS AVOIDED COST TO SUCH CUSTOMER-GENER-
37 ATOR, AS DEFINED IN SUBPARAGRAPH (I), (II), (IV) OR (V) OF PARAGRAPH (A)
38 OF SUBDIVISION ONE OF THIS SECTION, FOR THE VALUE OF ANY REMAINING CRED-
39 IT FOR THE EXCESS ELECTRICITY PRODUCED BY THE CUSTOMER-GENERATOR.

40 S 2. Subdivision 4 of section 66-1 of the public service law, as
41 amended by chapter 721 of the laws of 2006, paragraphs (b) and (c) as
42 amended and paragraph (d) as added by chapter 483 of the laws of 2008,
43 is amended to read as follows:

44 4. Rates. An electric corporation shall use net energy metering to
45 measure and charge for the net electricity supplied by the corporation
46 and provided to the corporation by a customer-generator, according to
47 the following requirements:

48 (a) In the event that the amount of electricity supplied by the corpo-
49 ration during the billing period exceeds the amount of electricity
50 provided by a customer-generator, the corporation shall, AFTER DEDUCT-
51 ING, FROM THE AGGREGATE OF UNUSED CREDIT FOR EXCESS ELECTRICITY GENER-
52 ATED BY SUCH CUSTOMER-GENERATOR PRIOR TO SUCH BILLING PERIOD, AN AMOUNT
53 OF CREDIT EQUAL TO THE AMOUNT OF ELECTRICITY SUPPLIED BY THE ELECTRIC
54 CORPORATION, TO THE EXTENT SUCH CREDIT EXISTS, AND MAY THEREAFTER charge
55 the customer-generator for the net electricity supplied, AFTER DEDUCTION
56 OF SUCH CREDITS, at the same rate per kilowatt hour applicable to

1 service provided to other customers in the same service class which do
2 not generate electricity on site.

3 (b) In the event that the amount of electricity produced by a custom-
4 er-generator during the billing period exceeds the amount of electricity
5 used by the customer-generator, the corporation shall (I) apply a credit
6 to the next bill for service to the customer-generator for the net elec-
7 tricity provided at the same rate per kilowatt hour applicable to
8 service provided to other customers in the same service class which do
9 not generate electricity on site, OR (II) AT THE OPTION OF THE CUSTOM-
10 ER-GENERATOR, CREDIT SUCH CUSTOMER-GENERATOR WITH THE AMOUNT OF EXCESS
11 KILOWATT HOURS GENERATED IN EXCESS OF ITS USE, AND SUCH CREDIT SHALL BE
12 AGGREGATED INDEFINITELY TO BE USED AS CREDIT AGAINST CHARGES INCURRED
13 PURSUANT TO PARAGRAPH (A) OF THIS SUBDIVISION.

14 (c) At the end of the year or annualized over the period that service
15 is supplied by means of net energy metering, the corporation shall (I)
16 promptly issue payment at its avoided cost to a residential or farm
17 service customer-generator for the value of any remaining credit for the
18 excess electricity produced during the year or over the annualized peri-
19 od by such customer-generator, OR (II) AT THE OPTION OF THE
20 CUSTOMER-GENERATOR, SHALL CONTINUE TO AGGREGATE SUCH CREDITS, AT THE
21 SAME RATE PER KILOWATT HOUR APPLICABLE TO THE SERVICE PROVIDED TO OTHER
22 CUSTOMERS IN THE SAME SERVICE CLASS WHICH DO NOT GENERATE ELECTRICITY ON
23 SITE, FOR AN INDEFINITE PERIOD OF TIME, AND CONTINUE TO ALLOW USE OF
24 SUCH CREDIT TO OFFSET ANY LIABILITY OF THE CUSTOMER-GENERATOR TO THE
25 ELECTRIC CORPORATION DURING BILLING PERIODS IN WHICH THE ELECTRICITY
26 GENERATED BY THE CUSTOMER-GENERATOR IS LESS THAN THAT USED BY SUCH
27 CUSTOMER.

28 (d) In the event that the corporation imposes charges based on kilo-
29 watt demand on customers who are in the same service class as the
30 customer-generator but which do not generate electricity on site, the
31 corporation may impose the same charges at the same rates to the custom-
32 er-generator, provided, however, that the kilowatt demand for such
33 demand charges is determined by the maximum measured kilowatt demand
34 actually supplied by the corporation to the customer-generator during
35 the billing period.

36 (E) IN THE EVENT THAT A CUSTOMER-GENERATOR ELECTS TO ALLOW THE AGGRE-
37 GATION OF ANY CREDITS FOR EXCESS ELECTRICITY GENERATED, THE
38 CUSTOMER-GENERATOR SHALL BE ENTITLED TO AN ACCOUNTING OF SUCH CREDITS
39 ONCE EVERY FIVE YEARS AND UPON SUCH ACCOUNTING, THE ELECTRIC CORPORATION
40 SHALL PROMPTLY ISSUE PAYMENT AT ITS AVOIDED COST TO SUCH CUSTOMER-GENER-
41 ATOR FOR THE VALUE OF ANY REMAINING CREDIT FOR THE EXCESS ELECTRICITY
42 PRODUCED BY THE CUSTOMER-GENERATOR.

43 S 3. This act shall take effect on the first of January next succeed-
44 ing the date on which it shall have become a law.