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I N S E N A T E

July 14, 2010

Introduced by Sen. PARKER -- read twice and ordered printed, and when printed to be committed to the Committee on Rules

AN ACT to amend the public service law and the public authorities law, in relation to net energy metering with micro-hydroelectric generating equipment

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

- 1 Section 1. Subdivision 1 of section 66-j of the public service law is
2 amended by adding a new paragraph (h) to read as follows:
3 (H) "MICRO-HYDROELECTRIC GENERATING EQUIPMENT" MEANS A HYDROELECTRIC
4 SYSTEM (I) (A) IN THE CASE OF A RESIDENTIAL CUSTOMER, WITH A RATED
5 CAPACITY OF NOT MORE THAN TWENTY-FIVE KILOWATTS; AND (B) IN THE CASE OF
6 A NON-RESIDENTIAL CUSTOMER, WITH A RATED CAPACITY OF NOT MORE THAN TWO
7 THOUSAND KILOWATTS; AND (II) THAT IS MANUFACTURED, INSTALLED, AND OPER-
8 ATED IN ACCORDANCE WITH APPLICABLE GOVERNMENT AND INDUSTRY STANDARDS,
9 THAT IS CONNECTED TO THE ELECTRIC SYSTEM AND OPERATED IN CONJUNCTION
10 WITH AN ELECTRIC CORPORATION'S TRANSMISSION AND DISTRIBUTION FACILITIES,
11 AND THAT IS OPERATED IN COMPLIANCE WITH ANY STANDARDS AND REQUIREMENTS
12 ESTABLISHED UNDER THIS SECTION.
13 S 2. Subdivision 2 of section 66-j of the public service law, as
14 amended by chapter 355 of the laws of 2009, is amended to read as
15 follows:
16 2. Interconnection and net energy metering. An electric corporation
17 shall provide for the interconnection of solar and farm waste electric
18 generating equipment, micro-combined heat and power generating equipment
19 [and], fuel cell electric generating equipment AND MICRO-HYDROELECTRIC
20 GENERATING EQUIPMENT owned or operated by a customer-generator and for
21 net energy metering, provided that the customer-generator enters into a
22 net energy metering contract with the corporation or complies with the
23 corporation's net energy metering schedule and complies with standards
24 and requirements established under this section.
25 S 3. Subdivision 3 of section 66-j of the public service law, as
26 amended by chapter 355 of the laws of 2009, subparagraphs (i) and (iii)
27 of paragraph (c) as amended by chapter 7 of the laws of 2010, is amended
28 to read as follows:
29 3. Conditions of service. (a) (i) On or before three months after the
30 effective date of this section, each electric corporation shall develop

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

LBD17554-01-0

1 a model contract and file a schedule that establishes consistent and
2 reasonable rates, terms and conditions for net energy metering to
3 customer-generators, according to the requirements of this section. The
4 commission shall render a decision within three months from the date on
5 which the schedule is filed.

6 (ii) On or before three months after the effective date of this
7 subparagraph, each electric corporation shall develop a model contract
8 and file a schedule that establishes consistent and reasonable rates,
9 terms and conditions for net energy metering to non-residential customer
10 generators, according to the requirements of this section. The commis-
11 sion shall render a decision within three months of the date on which
12 the schedule is filed.

13 (iii) Each electric corporation shall make such contract and schedule
14 available to customer-generators on a first come, first served basis,
15 until the total rated generating capacity for solar and farm waste elec-
16 tric generating equipment, micro-combined heat and power generating
17 equipment [and], fuel cell electric generating equipment AND MICRO-HY-
18 DROELECTRIC GENERATING EQUIPMENT owned, leased or operated by customer-
19 generators in the corporation's service area is equivalent to one
20 percent of the corporation's electric demand for the year two thousand
21 five, as determined by the department.

22 (b) Nothing in this subdivision shall prohibit a corporation from
23 providing net energy metering to additional customer-generators. The
24 commission shall have the authority, after January first, two thousand
25 twelve, to increase the percent limits if it determines that additional
26 net energy metering is in the public interest.

27 (c) In the event that the electric corporation determines that it is
28 necessary to install a dedicated transformer or transformers, or other
29 equipment to protect the safety and adequacy of electric service
30 provided to other customers, a customer-generator shall pay the electric
31 corporation's actual costs of installing the transformer or transfor-
32 mers, or other equipment:

33 (i) In the case of a customer-generator who owns or operates solar
34 electric generating equipment, micro-combined heat and power generating
35 equipment [or], fuel cell electric generating equipment OR MICRO-HYDROE-
36 LECTRIC GENERATING EQUIPMENT located and used at his or her residence,
37 or a non-residential customer-generator who owns or operates solar elec-
38 tric generating equipment with a rated capacity of not more than twen-
39 ty-five kilowatts, up to a maximum amount of three hundred fifty
40 dollars;

41 (ii) In the case of a customer-generator who owns or operates farm
42 waste electric generating equipment located and used at his or her "farm
43 operation," up to a total amount of five thousand dollars per "farm
44 operation"; and

45 (iii) In the case of a non-residential customer-generator who owns or
46 operates solar electric generating equipment OR MICRO-HYDROELECTRIC
47 GENERATING EQUIPMENT with a rated capacity of more than twenty-five
48 kilowatts located and used at its premises, such cost shall be as deter-
49 mined by the electric corporation subject to review, upon the request of
50 such customer-generator, by the department.

51 (d) An electric corporation shall impose no other charge or fee,
52 including back-up, stand by and demand charges, for the provision of net
53 energy metering to a customer-generator, except as provided in paragraph
54 (d) of subdivision four of this section.

1 S 4. Subdivision 5 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 5. Safety standards. (a) On or before three months after the effective
5 date of this section, each electric corporation shall establish stand-
6 ards that are necessary for net energy metering and the interconnection
7 of residential solar or farm waste electric generating equipment,
8 micro-combined heat and power generating equipment and fuel cell elec-
9 tric generating equipment AND MICRO-HYDROELECTRIC GENERATING EQUIPMENT
10 to its system and that the commission shall determine are necessary for
11 safe and adequate service and further the public policy set forth in
12 this section. Such standards may include but shall not be limited to:

13 (i) equipment necessary to isolate automatically the residential
14 solar, farm waste, micro-combined heat and power and fuel cell electric
15 generating system AND MICRO-HYDROELECTRIC GENERATING EQUIPMENT from the
16 utility system for voltage and frequency deviations; and

17 (ii) a manual lockable disconnect switch provided by the customer-gen-
18 erator which shall be located on the outside of the customer's premises
19 and externally accessible for the purpose of isolating the residential
20 solar and farm waste electric generating equipment AND MICRO-HYDROELEC-
21 TRIC GENERATING EQUIPMENT.

22 (b) Upon its own motion or upon a complaint, the commission, or its
23 designated representative, may investigate and make a determination as
24 to the reasonableness and necessity of the standards or responsibility
25 for compliance with the standards.

26 (i) In the case of a customer-generator who owns or operates solar
27 electric generating equipment located and used at his or her residence;
28 an electric corporation may not require a customer-generator to comply
29 with additional safety or performance standards, perform or pay for
30 additional tests, or purchase additional liability insurance provided
31 that the residential solar or farm waste electric generating equipment,
32 micro-combined heat and power generating equipment [or], fuel cell elec-
33 tric generating equipment OR MICRO-HYDROELECTRIC GENERATING EQUIPMENT
34 meets the safety standards established pursuant to this paragraph.

35 (ii) In the case of a customer-generator who owns or operates farm
36 waste electric generating equipment located and used at his or her "farm
37 operation," an electric corporation may not require a customer-generator
38 to comply with additional safety or performance standards, perform or
39 pay for additional tests, or purchase additional liability insurance
40 provided that:

41 1. the electric generating equipment meets the safety standards estab-
42 lished pursuant to this paragraph; and

43 2. the total rated generating capacity (measured in kW) of farm waste
44 electric generating equipment that provides electricity to the electric
45 corporation through the same local feeder line, does not exceed twenty
46 percent of the rated capacity of that local feeder line.

47 (iii) In the event that the total rated generating capacity of farm
48 waste electric generating equipment that provides electricity to the
49 electric corporation through the same local feeder line exceeds twenty
50 percent of the rated capacity of the local feeder line, the electric
51 corporation may require the customer-generator to comply with reasonable
52 measures to ensure safety of that local feeder line.

53 S 5. Subdivision 5-a of section 66-j of the public service law, as
54 amended by chapter 355 of the laws of 2009, is amended to read as
55 follows:

1 5-a. Safety standards; non-residential solar electric generating
2 equipment AND MICRO-HYDROELECTRIC GENERATING EQUIPMENT. (a) On or
3 before three months after the effective date of this subdivision, each
4 electric corporation shall establish standards that are necessary for
5 net energy metering and the interconnection of non-residential solar
6 electric generating equipment OR MICRO-HYDROELECTRIC GENERATING EQUIP-
7 MENT to its system and that the commission shall determine are necessary
8 for safe and adequate service and further the public policy set forth in
9 this section. Such standards may include but shall not be limited to:

10 (i) equipment necessary to isolate automatically the solar generating
11 system OR MICRO-HYDROELECTRIC GENERATING EQUIPMENT from the utility
12 system for voltage and frequency deviations; and

13 (ii) a manual lockable disconnect switch provided by the customer-gen-
14 erator which shall be located on the outside of the customer-generator's
15 premises and externally accessible for the purpose of isolating the
16 solar electric generating equipment OR MICRO-HYDROELECTRIC GENERATING
17 EQUIPMENT.

18 (b) In the event that the total rated generating capacity of solar
19 electric generating equipment OR MICRO-HYDROELECTRIC GENERATING EQUIP-
20 MENT that provides electricity to the electric corporation through the
21 same local feeder line exceeds twenty percent of the rated capacity of
22 the local feeder line, the electric corporation may require the custom-
23 er-generator to comply with reasonable measures to ensure safety of the
24 local feeder line.

25 (c) Unless otherwise determined to be necessary by the commission, an
26 electric corporation may not require a customer-generator to comply with
27 additional safety or performance standards, perform or pay for addi-
28 tional tests, or purchase additional liability insurance provided that
29 the solar electric generating equipment OR MICRO-HYDROELECTRIC GENERAT-
30 ING EQUIPMENT meets the safety standards established pursuant to this
31 subdivision.

32 (d) Upon its own motion or upon a complaint, the commission, or its
33 designated representative, may investigate and make a determination as
34 to the reasonableness and necessity of the standards or responsibility
35 for compliance with the standards.

36 S 6. Subdivision (h) of section 1020-g of the public authorities law,
37 as amended by chapter 355 of the laws of 2009, is amended to read as
38 follows:

39 (h) To implement programs and policies designed to provide for the
40 interconnection of: (i) (A) solar electric generating equipment owned or
41 operated by residential customers, (B) farm waste electric generating
42 equipment owned or operated by customer-generators, (C) solar electric
43 generating equipment owned or operated by non-residential customers, (D)
44 micro-combined heat and power generating equipment owned, leased or
45 operated by residential customers, [and] (E) fuel cell electric generat-
46 ing equipment owned, leased or operated by residential customers, AND
47 (F) MICRO-HYDROELECTRIC GENERATING EQUIPMENT OWNED, LEASED OR OPERATED
48 BY CUSTOMER-GENERATORS and for net energy metering consistent with
49 section sixty-six-j of the public service law, to increase the efficien-
50 cy of energy end use, to shift demand from periods of high demand to
51 periods of low demand and to facilitate the development of cogeneration;
52 and (ii) wind electric generating equipment owned or operated by custom-
53 er-generators and for net energy metering consistent with section
54 sixty-six-l of the public service law.

55 S 7. This act shall take effect immediately.