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

6130

2009-2010 Regular Sessions

I N S E N A T E

August 12, 2009

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, in relation to New York state voltage regulation pilot program

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

Section 1. The public service law is amended by adding a new section 66-m to read as follows:

S 66-M. VOLTAGE REGULATION PILOT PROGRAM. 1. THE COMMISSION SHALL ESTABLISH A NEW YORK STATE PILOT PROGRAM PROMOTING ENERGY CONSERVATION THROUGH VOLTAGE REGULATION AND THEREBY IMPROVING THE EFFICIENCY OF THE ELECTRIC GRID.

2. THE COMMISSION SHALL OVERSEE THE IMPLEMENTATION OF THE PILOT PROGRAM AND SHALL ISSUE AN ORDER OF THE COMMISSION AUTHORIZING CAPITAL AND OPERATING COSTS OF QUALIFYING VOLTAGE REGULATION EQUIPMENT TO BE RECOVERED IN EACH UTILITY'S RATE BASES AND TO EARN A REASONABLE RETURN OVER A PERIOD TO BE DETERMINED BY THE COMMISSION, PROVIDED THE CORPORATION SHALL, AT A MINIMUM, PROVIDE THE COMMISSION WITH THE FOLLOWING:

(A) A DETAILED DESCRIPTION AND ECONOMIC EVALUATION OF THE PROPOSED INVESTMENTS IN ITS SERVICE AREAS;

(B) AN ANALYSIS OF THE COSTS, BENEFITS AND RISKS OF THE PROPOSAL, INCLUDING AN ANALYSIS OF THE COSTS, BENEFITS AND RATE IMPLICATIONS TO THE UTILITY'S PARTICIPATING CUSTOMERS, TO THE UTILITY'S DEFAULT SERVICE CUSTOMERS AND TO THE UTILITY'S DISTRIBUTION CUSTOMERS;

(C) A DESCRIPTION OF THE QUALIFIED VOLTAGE REGULATION EQUIPMENT AND ITS SPECIFICATIONS, INSTALLATION SPECIFICATIONS, SOLICITATIONS, AND PROCUREMENTS THE UTILITY HAS IMPLEMENTED OR INTENDS TO IMPLEMENT;

(D) A SHOWING THAT THE UTILITY HAS MADE REASONABLE EFFORTS TO INVOLVE NEW YORK STATE-BASED BUSINESSES, AND MINORITY AND WOMEN-OWNED BUSINESS ENTERPRISES, AS DEFINED IN SECTION THREE HUNDRED TEN OF THE EXECUTIVE

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

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LAW, IN THE MANUFACTURE OR SUPPLY OF QUALIFIED VOLTAGE REGULATION EQUIPMENT; AND

(E) OPERATE IN COMPLIANCE WITH ANY STANDARDS AND REQUIREMENTS ESTABLISHED BY THE COMMISSION IN CONSULTATION WITH THE NEW YORK STATE ENERGY AND RESEARCH DEVELOPMENT AUTHORITY.

3. QUALIFIED VOLTAGE REGULATION EQUIPMENT SHALL BE SYNONYMOUS WITH QUALIFIED VOLTAGE REGULATION DEVICE, AND SHALL MEAN VOLTAGE REGULATION TECHNOLOGIES WHICH REDUCE ENERGY CONSUMPTION, IMPROVE GRID EFFICIENCY, RAISE OR LOWER VOLTAGE DYNAMICALLY AND ARE NINETY-NINE PERCENT OR MORE EFFICIENT ACROSS A MINIMUM OF NINETY PERCENT OF THE ELECTRIC LOAD CURVE.

S 2. The public service commission, in consultation with the New York State Energy and Research Development Authority, shall provide an annual report on or before the first day of June to the governor, the temporary president of the senate, the speaker of the assembly, the minority leader of the senate, and the minority leader of the assembly reporting the progress of their efforts and the effects of the program on the environment and public. Such report shall identify: (i) each utility that has elected to install qualified voltage regulation equipment, the capital and operating costs of which shall be recovered in the utility's rate base; (ii) the amount of savings, if any, generated by the use of such qualified voltage regulation devices; (iii) any improvements to such utility's reliability measures and finances; and (iv) the number of such qualified voltage regulation devices that are installed and in use by customers in each utility's service areas.

S 3. This act shall take effect immediately; provided, however, that not later than the ninetieth day after this act shall have become a law, the commission shall commence a rulemaking proceeding to prescribe the standards and requirements with which qualified voltage regulation equipment must comply in order to be installed by utilities in certain service areas.