

7093

I N S E N A T E

March 11, 2010

Introduced by Sens. THOMPSON, FOLEY, KRUEGER -- 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 and the public authorities law, in relation to the creation of the New York solar industry development and jobs act of 2010 and the procurement of solar renewable energy credits

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 a robust
3 solar power industry in New York by creating a scalable, diverse and
4 competitive solar energy market within the state. By tapping into the
5 state's abundant solar energy resources, it is the further intent of the
6 legislature to harness the multiple benefits associated with the gener-
7 ation of such clean power, including the significant creation of much
8 needed jobs within the state, a reduction of the long-term costs of
9 electricity generation for New York's energy consumers, increased reli-
10 ability of the state's electric grid, and a decrease in the emission of
11 harmful air pollution, including greenhouse gas emissions. By establish-
12 ing such a program, New York will create a solar energy enterprise that
13 will elevate the state to be among the world's cutting edge clean energy
14 industry leaders, while helping to secure increased economic development
15 for New Yorkers.

16 S 2. This act shall be known and may be cited as the "New York solar
17 industry development and jobs act of 2010."

18 S 3. The public service law is amended by adding a new section 66-m to
19 read as follows:

20 S 66-M. PROCUREMENT OF SOLAR RENEWABLE ENERGY CREDITS. 1. DEFINITIONS.
21 AS USED IN THIS SECTION:

22 (A) "BUILDING INTEGRATED PHOTOVOLTAIC EQUIPMENT" MEANS A PHOTOVOLTAIC
23 DEVICE THAT DIRECTLY FUNCTIONS AS A PART OF THE ENVELOPE OF A BUILDING
24 INCLUDING INTEGRATED ROOF COVER, FACADE OR BUILDING CLADDING, GLAZED
25 SURFACES, SOLAR SHADING DEVICES, CANOPIES AND SKYLIGHTS;

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

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(B) "ELECTRIC DISTRIBUTION COMPANY" MEANS AN INVESTOR-OWNED UTILITY THAT DISTRIBUTES ELECTRICITY WITHIN NEW YORK STATE;

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

(D) "QUALIFIED SOLAR ENERGY GENERATOR" MEANS THE OWNER OF A PHOTOVOLTAIC DEVICE OR DEVICES THAT PRODUCES QUALIFIED SOLAR ENERGY GENERATION;

(E) "QUALIFIED SOLAR ENERGY GENERATION" MEANS POWER GENERATED BY A PHOTOVOLTAIC DEVICE THAT IS PLACED IN SERVICE WITHIN THE JURISDICTIONAL BOUNDARIES OF THE STATE OF NEW YORK AFTER THE EFFECTIVE DATE OF THIS SECTION;

(F) "RETAIL DISTRIBUTED SOLAR ENERGY GENERATION" MEANS QUALIFIED SOLAR ENERGY GENERATION PRODUCED BY A PHOTOVOLTAIC DEVICE THAT IS LOCATED ON THE CUSTOMER SIDE OF THE ELECTRIC DISTRIBUTION COMPANY METER AND IS INTERCONNECTED TO THE DISTRIBUTION SYSTEM;

(G) "SMALL RETAIL DISTRIBUTED SOLAR ENERGY GENERATION" MEANS RETAIL DISTRIBUTED SOLAR ENERGY GENERATION PRODUCED BY A PHOTOVOLTAIC DEVICE THAT IS EQUAL TO OR LESS THAN FIFTY KILOWATTS IN SIZE;

(H) "SOLAR PURCHASE AGREEMENT" MEANS AN AGREEMENT, FOR A MINIMUM OF FIFTEEN YEARS, FOR THE PURCHASE OF SRECS FROM A QUALIFIED SOLAR ENERGY GENERATOR; AND

(I) "SOLAR RENEWABLE ENERGY CREDIT" OR "SREC" MEANS THE ENVIRONMENTAL ATTRIBUTES ASSOCIATED WITH ONE MEGAWATT-HOUR OF QUALIFIED SOLAR ENERGY GENERATION.

2. (A) ELECTRIC DISTRIBUTION COMPANIES, IN THE AGGREGATE, SHALL PROCURE, AT MINIMUM, SRECS ASSOCIATED WITH GIGAWATT-HOURS (GWH) OF QUALIFIED SOLAR ENERGY GENERATION IN ACCORDANCE WITH THE FOLLOWING SCHEDULE, PROVIDED THAT THE NUMBER OF SRECS TO BE PROCURED BY EACH ELECTRIC DISTRIBUTION COMPANY SHALL BE BASED ON EACH COMPANY'S PROPORTIONATE SHARE OF THE TOTAL NUMBER OF GIGAWATT-HOURS DISTRIBUTED IN NEW YORK BY ALL ELECTRIC DISTRIBUTION COMPANIES, AS SHALL BE DETERMINED BY THE COMMISSION NO LATER THAN JANUARY FIRST, TWO THOUSAND ELEVEN:

2012	51.6 GWH
2013	77.4 GWH
2014	103.2 GWH
2015	154.8 GWH
2016	221.9 GWH
2017	309.6 GWH
2018	438.6 GWH
2019	619.2 GWH
2020	877.2 GWH
2021	1,186.8 GWH
2022	1,444.8 GWH
2023	1,857.6 GWH
2024	2,373.6 GWH
2025	3,096.0 GWH

(B) AT LEAST TWENTY PERCENT OF THE ANNUAL OBLIGATION ESTABLISHED BY THE COMMISSION FOR EACH ELECTRIC DISTRIBUTION COMPANY SHALL BE MET THROUGH THE PROCUREMENT OF SRECS ASSOCIATED WITH SMALL RETAIL DISTRIBUTED SOLAR ENERGY GENERATION; AND AT LEAST AN ADDITIONAL THIRTY PERCENT OF THE ANNUAL OBLIGATION ESTABLISHED BY THE COMMISSION FOR EACH ELECTRIC DISTRIBUTION COMPANY SHALL BE MET THROUGH THE PROCUREMENT OF SRECS ASSOCIATED WITH RETAIL DISTRIBUTED SOLAR ENERGY GENERATION PRODUCED BY EQUIPMENT OF ANY SIZE.

1 (C) OBLIGATIONS FOR THE PROCUREMENT OF SRECS ASSOCIATED WITH QUALIFIED
2 SOLAR ENERGY GENERATION SHALL CONTINUE UNTIL ALL EXISTING SOLAR PURCHASE
3 AGREEMENTS HAVE EXPIRED.

4 (D) ELECTRIC DISTRIBUTION COMPANIES MAY MEET THEIR OBLIGATIONS ESTAB-
5 LISHED BY THE COMMISSION PURSUANT TO THIS SUBDIVISION THROUGH THE
6 PROCUREMENT OF SRECS OR A COMBINATION OF SRECS AND SOLAR ENERGY.

7 3. (A) IN THE EVENT THAT ELECTRIC DISTRIBUTION COMPANIES CANNOT MEET
8 THEIR OBLIGATIONS ESTABLISHED PURSUANT TO SUBDIVISION TWO OF THIS
9 SECTION, THEY SHALL BE PERMITTED TO DISCHARGE SUCH OBLIGATIONS BY MAKING
10 AN ALTERNATIVE COMPLIANCE PAYMENT IN AN AMOUNT ESTABLISHED BY THE
11 COMMISSION, PROVIDED, HOWEVER, THAT THE COMMISSION SHALL SET SUCH
12 PAYMENT AT A LEVEL THAT SHALL STIMULATE THE DEVELOPMENT OF NEW QUALIFIED
13 SOLAR ENERGY GENERATION EQUIPMENT NECESSARY TO ACHIEVE THE OBLIGATIONS
14 ESTABLISHED IN SUBDIVISION TWO OF THIS SECTION.

15 (B) NO LATER THAN JULY FIRST, TWO THOUSAND ELEVEN, THE COMMISSION
16 SHALL ESTABLISH AN ALTERNATIVE COMPLIANCE PAYMENT SCHEDULE THROUGH THE
17 YEAR TWO THOUSAND TWENTY-FIVE, AND SHALL ANNUALLY REVIEW SUCH SCHEDULE
18 TO ENSURE THAT THE PAYMENTS ARE SET AT A LEVEL TO STIMULATE THE DEVELOP-
19 MENT OF NEW QUALIFIED SOLAR ENERGY GENERATION EQUIPMENT, IN ACCORDANCE
20 WITH SUBDIVISION TWO OF THIS SECTION. ONCE SUCH SCHEDULE IS ESTAB-
21 LISHED, THE COMMISSION MAY ADOPT, AFTER APPROPRIATE NOTICE AND OPPORTU-
22 NITY FOR PUBLIC COMMENT, AN INCREASE IN ALTERNATIVE COMPLIANCE PAYMENTS,
23 PROVIDED THAT THE COMMISSION SHALL NOT REDUCE PREVIOUSLY ESTABLISHED
24 LEVELS OF PAYMENTS, NOR SHALL THE COMMISSION PROVIDE RELIEF FROM THE
25 OBLIGATION OF PAYMENT OF THE ALTERNATIVE COMPLIANCE PAYMENTS BY THE
26 ELECTRIC DISTRIBUTION COMPANIES IN ANY FORM.

27 (C) THE COMMISSION SHALL MAKE AVAILABLE ALL MONIES FROM AMOUNTS
28 COLLECTED THROUGH SUCH ALTERNATIVE COMPLIANCE PAYMENTS FOR SOLAR INITI-
29 ATIVES TO BE DEVELOPED BY THE NEW YORK STATE ENERGY RESEARCH AND DEVEL-
30 OPMENT AUTHORITY.

31 4. (A) NO LATER THAN JANUARY FIRST, TWO THOUSAND ELEVEN, THE COMMIS-
32 SION SHALL ESTABLISH A TEMPLATE FOR SOLAR PURCHASE AGREEMENTS TO BE USED
33 BY ELECTRIC DISTRIBUTION COMPANIES FOR THEIR PROCUREMENT OF SRECS FOR
34 THE PURPOSE OF FULFILLING THEIR OBLIGATIONS ESTABLISHED PURSUANT TO
35 SUBDIVISION TWO OF THIS SECTION.

36 (B) EACH ELECTRIC DISTRIBUTION COMPANY SHALL, NOT LATER THAN JULY
37 FIRST, TWO THOUSAND ELEVEN, SUBMIT FOR COMMISSION REVIEW AND APPROVAL A
38 SOLAR SOLICITATION PLAN THAT SHALL INCLUDE A TIMETABLE AND METHODOLOGY
39 FOR SOLICITING PROPOSALS FOR SRECS ASSOCIATED WITH QUALIFIED SOLAR ENER-
40 GY GENERATION OTHER THAN SMALL RETAIL DISTRIBUTED SOLAR ENERGY GENER-
41 ATION, FOR THE PURPOSE OF FULFILLING ITS OBLIGATIONS ESTABLISHED PURSU-
42 ANT TO SUBDIVISION TWO OF THIS SECTION. THE ELECTRIC DISTRIBUTION
43 COMPANY'S SOLAR SOLICITATION PLAN SHALL BE DESIGNED TO FOSTER A DIVERSI-
44 TY OF SOLAR PROJECT SIZES AND PARTICIPATION AMONG ALL ELIGIBLE CUSTOMER
45 CLASSES SUBJECT TO COST-EFFECTIVENESS CONSIDERATIONS.

46 (C) EACH ELECTRIC DISTRIBUTION COMPANY SHALL EXECUTE ITS APPROVED
47 SOLICITATION PLAN AND SUBMIT FOR COMMISSION REVIEW AND APPROVAL ITS
48 PREFERRED SOLAR PROCUREMENT PLAN COMPRISED OF ANY PROPOSED SOLAR
49 PURCHASE AGREEMENTS FOR SRECS ASSOCIATED WITH QUALIFIED SOLAR ENERGY
50 GENERATION OTHER THAN SMALL RETAIL DISTRIBUTED SOLAR ENERGY GENERATION.
51 THE COMMISSION MAY APPROVE, REJECT OR MODIFY AN APPLICATION FOR APPROVAL
52 OF SUCH PLAN, PROVIDED THAT THE COMMISSION SHALL APPROVE SUCH PLAN IF
53 THE COMMISSION FINDS THAT: (I) THE SOLICITATION AND EVALUATION CONDUCTED
54 BY THE ELECTRIC DISTRIBUTION COMPANY WAS THE RESULT OF A FAIR, OPEN,
55 COMPETITIVE AND TRANSPARENT PROCESS; (II) APPROVAL OF THE SOLAR PROCURE-
56 MENT PLAN WOULD RESULT IN THE ACHIEVEMENT OF THE DISTRIBUTION COMPANY'S

OBLIGATIONS PERTAINING TO THE PROCUREMENT OF SRECS ASSOCIATED WITH QUALIFIED SOLAR ENERGY GENERATION OTHER THAN SMALL RETAIL DISTRIBUTED SOLAR ENERGY GENERATION AT THE LOWEST REASONABLE COST; AND (III) SUCH PROCUREMENT PLAN SATISFIES OTHER CRITERIA AS MAY BE ESTABLISHED IN THE APPROVED SOLICITATION PLAN. IF THE COMMISSION DOES NOT APPROVE, REJECT OR MODIFY THE DISTRIBUTION COMPANY'S APPLICATION WITHIN SIXTY DAYS, THE PROCUREMENT PLAN SHALL BE DEEMED APPROVED.

(D) NO LATER THAN JULY FIRST, TWO THOUSAND ELEVEN, EACH ELECTRIC DISTRIBUTION COMPANY SHALL SUBMIT TO THE COMMISSION FOR REVIEW AND APPROVAL A PLAN FOR THE ACHIEVEMENT OF ITS OBLIGATION PERTAINING TO THE PROCUREMENT OF SRECS ASSOCIATED WITH SMALL RETAIL DISTRIBUTED SOLAR ENERGY GENERATION ESTABLISHED PURSUANT TO SUBDIVISION TWO OF THIS SECTION.

5. EACH ELECTRIC DISTRIBUTION COMPANY SHALL BE ENTITLED TO RECOVER THE PRUDENTLY INCURRED COSTS OF COMPLYING WITH ITS OBLIGATIONS ESTABLISHED PURSUANT TO SUBDIVISION TWO OF THIS SECTION, AS DETERMINED BY THE COMMISSION.

6. NO LATER THAN JULY FIRST, TWO THOUSAND ELEVEN, THE COMMISSION SHALL ESTABLISH AN INCENTIVE PROGRAM FOR ELECTRIC DISTRIBUTION COMPANIES BASED ON SUCH COMPANIES' ACHIEVEMENT OF THEIR OBLIGATIONS, AND EXEMPLARY PERFORMANCE BEYOND SUCH OBLIGATIONS, ESTABLISHED PURSUANT TO SUBDIVISION TWO OF THIS SECTION: (I) IN A COST-EFFECTIVE MANNER THAT ACHIEVES THE OBLIGATIONS AT LEAST COST AND AVOIDS LONG-TERM COSTS TO THE TRANSMISSION AND DISTRIBUTION SYSTEM; (II) PROVIDES ENHANCED ELECTRICITY RELIABILITY WITHIN COMPANIES' SERVICE TERRITORIES; AND (III) MINIMIZES PEAK LOAD IN CONSTRAINED AREAS.

7. NO LATER THAN JANUARY FIRST, TWO THOUSAND ELEVEN, THE COMMISSION SHALL ESTABLISH THE TERMS AND CONDITIONS THAT SHALL BE APPLICABLE TO SOLAR PURCHASE AGREEMENTS ENTERED INTO BY ELECTRIC DISTRIBUTION COMPANIES FOR THE PROCUREMENT OF SRECS ASSOCIATED WITH SMALL RETAIL DISTRIBUTED SOLAR ENERGY GENERATION, FOR THE PURPOSE OF ACHIEVING SUCH COMPANIES' OBLIGATIONS PERTAINING TO SRECS ASSOCIATED WITH SUCH GENERATION ESTABLISHED PURSUANT TO SUBDIVISION TWO OF THIS SECTION. SUCH TERMS AND CONDITIONS SHALL INCLUDE A TARIFF, AS ESTABLISHED BY THE COMMISSION, FOR THE PROCUREMENT OF SRECS ASSOCIATED WITH SMALL RETAIL DISTRIBUTED SOLAR ENERGY GENERATION, TO BE PAID BY ELECTRIC DISTRIBUTION COMPANIES TO APPLICABLE QUALIFIED SOLAR ENERGY GENERATORS. THE COMMISSION SHALL ESTABLISH A SEPARATE TARIFF FOR THE PROCUREMENT OF SRECS ASSOCIATED WITH SMALL RETAIL DISTRIBUTED SOLAR ENERGY GENERATION THAT IS PRODUCED BY BUILDING INTEGRATED PHOTOVOLTAIC EQUIPMENT, WHICH SHALL BE EQUIVALENT TO ONE HUNDRED TWENTY-FIVE PERCENT OF THE TARIFF APPLICABLE TO SRECS ASSOCIATED WITH OTHER SOURCES OF SMALL RETAIL DISTRIBUTED SOLAR ENERGY GENERATION. THE COMMISSION SHALL REVIEW SUCH TARIFFS EVERY TWO YEARS AND ADJUST AS NECESSARY TO ACHIEVE THE OBLIGATIONS PERTAINING TO SRECS ASSOCIATED WITH SMALL RETAIL DISTRIBUTED SOLAR ENERGY GENERATION ESTABLISHED IN SUBDIVISION TWO OF THIS SECTION.

8. EACH ELECTRIC DISTRIBUTION COMPANY SHALL BE PERMITTED TO CONSTRUCT, OWN AND OPERATE QUALIFIED SOLAR ENERGY GENERATION EQUIPMENT FOR THE PURPOSE OF COMPLYING WITH THE COMPANY'S OBLIGATIONS ESTABLISHED PURSUANT TO SUBDIVISION TWO OF THIS SECTION; PROVIDED, HOWEVER, THAT THE SRECS ASSOCIATED WITH THE QUALIFIED SOLAR ENERGY GENERATION PRODUCED BY SUCH EQUIPMENT SHALL NOT, IN THE AGGREGATE, COMPRISE GREATER THAN TWENTY-FIVE PERCENT OF SUCH COMPANY'S OBLIGATIONS, AS ESTABLISHED PURSUANT TO SUBDIVISION TWO OF THIS SECTION, IN ANY CALENDAR YEAR. NO ELECTRIC DISTRIBUTION COMPANY MAY RECOVER PRUDENTLY INCURRED COSTS ASSOCIATED WITH THE

1 CONSTRUCTION OF QUALIFIED SOLAR ENERGY GENERATION EQUIPMENT WITHOUT
2 OBTAINING PRIOR APPROVAL FOR THE COSTS FROM THE COMMISSION.

3 9. (A) NO LATER THAN JULY FIRST, TWO THOUSAND THIRTEEN, AND NO LATER
4 THAN JULY FIRST OF EACH YEAR THEREAFTER THROUGH THE YEAR TWO THOUSAND
5 TWENTY-SIX, THE COMMISSION SHALL REPORT TO THE GOVERNOR, SPEAKER OF THE
6 ASSEMBLY, MAJORITY LEADER OF THE SENATE, AND CHAIRS OF THE SENATE AND
7 ASSEMBLY ENERGY COMMITTEES, AND SHALL POST ON ITS WEB SITE, A REPORT
8 REGARDING THE PROGRESS OF EACH ELECTRIC DISTRIBUTION COMPANY IN MEETING
9 ITS OBLIGATIONS ESTABLISHED PURSUANT TO SUBDIVISION TWO OF THIS SECTION.
10 THE COMMISSION SHALL ESTABLISH AN ANNUAL REPORTING OBLIGATION AND PROC-
11 ESS FOR ELECTRIC DISTRIBUTION COMPANIES FOR THE PURPOSE OF COLLECTING
12 THE INFORMATION NECESSARY FOR THE COMMISSION TO FULFILL ITS OBLIGATIONS
13 PURSUANT TO THIS SUBDIVISION.

14 (B) EACH REPORT THAT SHALL BE SUBMITTED PURSUANT TO THIS SUBDIVISION
15 SHALL INCLUDE, BUT NOT BE LIMITED TO, FOR EACH ELECTRIC DISTRIBUTION
16 COMPANY: (I) THE NUMBER OF SRECS ASSOCIATED WITH QUALIFIED SOLAR ENERGY
17 GENERATION PROCURED DURING THE PREVIOUS CALENDAR YEAR; (II) THE NUMBER
18 OF SUCH SRECS EACH ASSOCIATED WITH SMALL RETAIL DISTRIBUTED SOLAR ENERGY
19 GENERATION AND RETAIL DISTRIBUTED SOLAR ENERGY GENERATION PRODUCED BY
20 EQUIPMENT OF ANY SIZE PROCURED DURING THE PREVIOUS CALENDAR YEAR; (III)
21 THE NUMBER OF SUCH SRECS PROCURED THROUGH SOLAR PURCHASE AGREEMENTS AND
22 THE ELECTRIC DISTRIBUTION COMPANY'S OWNERSHIP OF QUALIFIED SOLAR ENERGY
23 GENERATION EQUIPMENT, RESPECTIVELY, DURING THE PREVIOUS CALENDAR YEAR;
24 (IV) THE AMOUNT, IF ANY, OF ALTERNATIVE COMPLIANCE PAYMENTS MADE DURING
25 THE PREVIOUS CALENDAR YEAR; (V) THE AMOUNT PAID TO QUALIFIED SOLAR ENER-
26 GY GENERATORS THROUGH TARIFFS ESTABLISHED PURSUANT TO SUBDIVISION SEVEN
27 OF THIS SECTION DURING THE PREVIOUS CALENDAR YEAR FOR SRECS ASSOCIATED
28 WITH SMALL RETAIL DISTRIBUTED SOLAR ENERGY GENERATION; AND (VI) THE
29 CUMULATIVE TOTAL ASSOCIATED WITH EACH PIECE OF INFORMATION DELINEATED IN
30 SUBPARAGRAPHS (I) THROUGH (V) OF THIS PARAGRAPH SINCE THE EFFECTIVE DATE
31 OF THIS SECTION.

32 S 4. Section 1005 of the public authorities law is amended by adding a
33 new subdivision 17 to read as follows:

34 17. A. FOR THE PURPOSES OF THIS SUBDIVISION, THE FOLLOWING TERMS SHALL
35 HAVE THE FOLLOWING MEANINGS:

36 (1) "PHOTOVOLTAIC DEVICE" MEANS A SYSTEM OF COMPONENTS THAT GENERATES
37 ELECTRICITY FROM INCIDENT SUNLIGHT BY MEANS OF THE PHOTOVOLTAIC EFFECT,
38 WHETHER OR NOT THE DEVICE IS ABLE TO STORE THE ENERGY PRODUCED FOR LATER
39 USE;

40 (2) "QUALIFIED SOLAR ENERGY GENERATOR" MEANS THE OWNER OF A PHOTOVOL-
41 TAIC DEVICE OR DEVICES THAT PRODUCES QUALIFIED SOLAR ENERGY GENERATION;

42 (3) "QUALIFIED SOLAR ENERGY GENERATION" MEANS POWER GENERATED BY A
43 PHOTOVOLTAIC DEVICE THAT IS PLACED IN SERVICE WITHIN THE JURISDICTIONAL
44 BOUNDARIES OF THE STATE OF NEW YORK AFTER THE EFFECTIVE DATE OF THIS
45 SUBDIVISION;

46 (4) "RETAIL DISTRIBUTED SOLAR ENERGY GENERATION" MEANS QUALIFIED SOLAR
47 ENERGY GENERATION PRODUCED BY A PHOTOVOLTAIC DEVICE THAT IS LOCATED ON
48 THE CUSTOMER SIDE OF THE ELECTRIC DISTRIBUTION COMPANY METER AND IS
49 INTERCONNECTED TO THE DISTRIBUTION SYSTEM;

50 (5) "SMALL RETAIL DISTRIBUTED SOLAR ENERGY GENERATION" MEANS RETAIL
51 DISTRIBUTED SOLAR ENERGY GENERATION PRODUCED BY A PHOTOVOLTAIC DEVICE
52 THAT IS EQUAL TO OR LESS THAN FIFTY KILOWATTS IN SIZE;

53 (6) "SOLAR PURCHASE AGREEMENT" MEANS AN AGREEMENT, FOR A MINIMUM OF
54 FIFTEEN YEARS, FOR THE PURCHASE OF SRECS FROM A QUALIFIED SOLAR ENERGY
55 GENERATOR; AND

(7) "SOLAR RENEWABLE ENERGY CREDIT" OR "SREC" MEANS THE ENVIRONMENTAL ATTRIBUTES ASSOCIATED WITH ONE MEGAWATT-HOUR OF QUALIFIED SOLAR ENERGY GENERATION.

B. (1) THE AUTHORITY SHALL PROCURE, AT MINIMUM, SRECS ASSOCIATED WITH GIGAWATT-HOURS OF QUALIFIED SOLAR ENERGY GENERATION IN ACCORDANCE WITH THE FOLLOWING SCHEDULE:

2012	103.2 GWH
2013	118.7 GWH
2014	134.2 GWH
2015	154.8 GWH
2016	180.6 GWH
2017	206.4 GWH
2018	232.2 GWH
2019	283.8 GWH
2020	335.4 GWH
2021	387.0 GWH
2022	490.2 GWH
2023	619.2 GWH
2024	799.8 GWH
2025	1,032.0 GWH

(2) AT LEAST TWENTY PERCENT OF THE ANNUAL OBLIGATION ESTABLISHED IN THIS PARAGRAPH SHALL BE MET THROUGH THE PROCUREMENT OF SRECS ASSOCIATED WITH SMALL RETAIL DISTRIBUTED SOLAR ENERGY GENERATION; AND AT LEAST AN ADDITIONAL THIRTY PERCENT OF THE ANNUAL OBLIGATION ESTABLISHED IN THIS PARAGRAPH SHALL BE MET THROUGH THE PROCUREMENT OF SRECS ASSOCIATED WITH RETAIL DISTRIBUTED SOLAR ENERGY GENERATION PRODUCED BY EQUIPMENT OF ANY SIZE.

(3) OBLIGATIONS FOR THE PROCUREMENT OF SRECS ASSOCIATED WITH QUALIFIED SOLAR ENERGY GENERATION SHALL CONTINUE UNTIL ALL EXISTING SOLAR PURCHASE AGREEMENTS HAVE EXPIRED.

(4) THE AUTHORITY MAY MEET ITS OBLIGATIONS ESTABLISHED IN THIS PARAGRAPH THROUGH THE PROCUREMENT OF SRECS OR A COMBINATION OF SRECS AND SOLAR ENERGY.

C. (1) NO LATER THAN JULY FIRST, TWO THOUSAND ELEVEN, THE AUTHORITY SHALL SUBMIT TO THE GOVERNOR, SPEAKER OF THE ASSEMBLY, MAJORITY LEADER OF THE SENATE, AND CHAIRS OF THE SENATE AND ASSEMBLY ENERGY COMMITTEES, AND SHALL POST ON ITS WEB SITE, A SOLAR SOLICITATION PLAN THAT SHALL INCLUDE A TIMETABLE AND METHODOLOGY FOR SOLICITING PROPOSALS FOR SRECS ASSOCIATED WITH QUALIFIED SOLAR ENERGY GENERATION OTHER THAN SMALL RETAIL DISTRIBUTED SOLAR ENERGY GENERATION, FOR THE PURPOSE OF FULFILLING ITS OBLIGATIONS ESTABLISHED IN PARAGRAPH B OF THIS SUBDIVISION.

(2) THE AUTHORITY SHALL EXECUTE ITS SOLICITATION PLAN AND SHALL SUBMIT TO THE GOVERNOR, SPEAKER OF THE ASSEMBLY, MAJORITY LEADER OF THE SENATE, AND CHAIRS OF THE SENATE AND ASSEMBLY ENERGY COMMITTEES, AND SHALL POST ON ITS WEB SITE, ITS SOLAR PROCUREMENT PLAN COMPRISED OF ANY SOLAR PURCHASE AGREEMENTS FOR SRECS ASSOCIATED WITH QUALIFIED SOLAR ENERGY GENERATION OTHER THAN SMALL RETAIL DISTRIBUTED SOLAR ENERGY GENERATION.

(3) NO LATER THAN JULY FIRST, TWO THOUSAND ELEVEN, THE AUTHORITY SHALL SUBMIT TO THE GOVERNOR, SPEAKER OF THE ASSEMBLY, MAJORITY LEADER OF THE SENATE, AND CHAIRS OF THE SENATE AND ASSEMBLY ENERGY COMMITTEES, AND SHALL POST ON ITS WEB SITE, A PLAN FOR THE ACHIEVEMENT OF ITS OBLIGATION PERTAINING TO THE PROCUREMENT OF SRECS ASSOCIATED WITH SMALL RETAIL DISTRIBUTED SOLAR ENERGY GENERATION ESTABLISHED IN PARAGRAPH B OF THIS SUBDIVISION.

D. (1) NO LATER THAN JULY FIRST, TWO THOUSAND THIRTEEN, AND NO LATER THAN JULY FIRST OF EACH YEAR THEREAFTER THROUGH THE YEAR TWO THOUSAND

TWENTY-SIX, THE AUTHORITY SHALL REPORT TO THE GOVERNOR, SPEAKER OF THE ASSEMBLY, MAJORITY LEADER OF THE SENATE, AND CHAIRS OF THE SENATE AND ASSEMBLY ENERGY COMMITTEES, AND SHALL POST ON ITS WEB SITE, A REPORT REGARDING ITS PROGRESS IN MEETING ITS OBLIGATIONS ESTABLISHED IN PARAGRAPH B OF THIS SUBDIVISION.

(2) EACH REPORT THAT SHALL BE SUBMITTED PURSUANT TO THIS PARAGRAPH SHALL INCLUDE, BUT NOT BE LIMITED TO: (I) THE NUMBER OF SRECS ASSOCIATED WITH QUALIFIED SOLAR ENERGY GENERATION PROCURED BY THE AUTHORITY DURING THE PREVIOUS CALENDAR YEAR; (II) THE NUMBER OF SUCH SRECS EACH ASSOCIATED WITH SMALL RETAIL DISTRIBUTED SOLAR ENERGY GENERATION AND RETAIL DISTRIBUTED SOLAR ENERGY GENERATION PRODUCED BY EQUIPMENT OF ANY SIZE PROCURED DURING THE PREVIOUS CALENDAR YEAR; (III) THE NUMBER OF SUCH SRECS PROCURED THROUGH SOLAR PURCHASE AGREEMENTS AND THE AUTHORITY'S OWNERSHIP OF QUALIFIED SOLAR ENERGY GENERATION EQUIPMENT, RESPECTIVELY, DURING THE PREVIOUS CALENDAR YEAR; AND (IV) THE CUMULATIVE TOTAL ASSOCIATED WITH EACH PIECE OF INFORMATION DELINEATED IN CLAUSES (I) THROUGH (III) OF THIS SUBPARAGRAPH SINCE THE EFFECTIVE DATE OF THIS SUBDIVISION.

S 5. Sections 1020-hh, 1020-ii and 1020-jj of the public authorities law as renumbered by chapter 433 of the laws of 2009, are renumbered sections 1020-ii, 1020-jj and 1020-kk respectively and a new section 1020-hh is added to read as follows:

S 1020-HH. PROCUREMENT OF SOLAR RENEWABLE ENERGY CREDITS. 1. DEFINITIONS. AS USED IN THIS SECTION:

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

(B) "QUALIFIED SOLAR ENERGY GENERATOR" MEANS THE OWNER OF A PHOTOVOLTAIC DEVICE OR DEVICES THAT PRODUCES QUALIFIED SOLAR ENERGY GENERATION;

(C) "QUALIFIED SOLAR ENERGY GENERATION" MEANS POWER GENERATED BY A PHOTOVOLTAIC DEVICE THAT IS PLACED IN SERVICE WITHIN THE JURISDICTIONAL BOUNDARIES OF THE STATE OF NEW YORK AFTER THE EFFECTIVE DATE OF THIS SECTION;

(D) "RETAIL DISTRIBUTED SOLAR ENERGY GENERATION" MEANS QUALIFIED SOLAR ENERGY GENERATION PRODUCED BY A PHOTOVOLTAIC DEVICE THAT IS LOCATED ON THE CUSTOMER SIDE OF THE ELECTRIC DISTRIBUTION COMPANY METER AND IS INTERCONNECTED TO THE DISTRIBUTION SYSTEM;

(E) "SMALL RETAIL DISTRIBUTED SOLAR ENERGY GENERATION" MEANS RETAIL DISTRIBUTED SOLAR ENERGY GENERATION PRODUCED BY A PHOTOVOLTAIC DEVICE THAT IS EQUAL TO OR LESS THAN FIFTY KILOWATTS IN SIZE;

(F) "SOLAR PURCHASE AGREEMENT" MEANS AN AGREEMENT, FOR A MINIMUM OF FIFTEEN YEARS, FOR THE PURCHASE OF SRECS FROM A QUALIFIED SOLAR ENERGY GENERATOR; AND

(G) "SOLAR RENEWABLE ENERGY CREDIT" OR "SREC" MEANS THE ENVIRONMENTAL ATTRIBUTES ASSOCIATED WITH ONE MEGAWATT-HOUR OF QUALIFIED SOLAR ENERGY GENERATION.

2. (A) THE AUTHORITY SHALL PROCURE, AT MINIMUM, SRECS ASSOCIATED WITH GIGAWATT-HOURS OF QUALIFIED SOLAR ENERGY GENERATION IN ACCORDANCE WITH THE FOLLOWING SCHEDULE:

2012	51.6 GWH
2013	77.4 GWH
2014	103.2 GWH
2015	129.0 GWH
2016	154.8 GWH
2017	180.6 GWH
2018	206.4 GWH

1	2019	258.0 GWH
2	2020	309.6 GWH
3	2021	387.0 GWH
4	2022	490.2 GWH
5	2023	619.2 GWH
6	2024	799.8 GWH
7	2025	1,032.0 GWH

8 (B) AT LEAST TWENTY PERCENT OF THE ANNUAL OBLIGATION ESTABLISHED IN
9 THIS SUBDIVISION SHALL BE MET THROUGH THE PROCUREMENT OF SRECS ASSOCI-
10 ATED WITH SMALL RETAIL DISTRIBUTED SOLAR ENERGY GENERATION; AND AT LEAST
11 AN ADDITIONAL THIRTY PERCENT OF THE ANNUAL OBLIGATION ESTABLISHED IN
12 THIS SUBDIVISION SHALL BE MET THROUGH THE PROCUREMENT OF SRECS ASSOCI-
13 ATED WITH RETAIL DISTRIBUTED SOLAR ENERGY GENERATION PRODUCED BY EQUIP-
14 MENT OF ANY SIZE.

15 (C) OBLIGATIONS FOR THE PROCUREMENT OF SRECS ASSOCIATED WITH QUALIFIED
16 SOLAR ENERGY GENERATION SHALL CONTINUE UNTIL ALL EXISTING SOLAR PURCHASE
17 AGREEMENTS HAVE EXPIRED.

18 (D) THE AUTHORITY MAY MEET ITS OBLIGATIONS ESTABLISHED IN THIS SUBDI-
19 VISION THROUGH THE PROCUREMENT OF SRECS OR A COMBINATION OF SRECS AND
20 SOLAR ENERGY.

21 3. (A) NO LATER THAN JULY FIRST, TWO THOUSAND ELEVEN, THE AUTHORITY
22 SHALL SUBMIT TO THE GOVERNOR, SPEAKER OF THE ASSEMBLY, MAJORITY LEADER
23 OF THE SENATE, AND CHAIRS OF THE SENATE AND ASSEMBLY ENERGY COMMITTEES,
24 AND SHALL POST ON ITS WEB SITE, A SOLAR SOLICITATION PLAN THAT SHALL
25 INCLUDE A TIMETABLE AND METHODOLOGY FOR SOLICITING PROPOSALS FOR SRECS
26 ASSOCIATED WITH QUALIFIED SOLAR ENERGY GENERATION OTHER THAN SMALL
27 RETAIL DISTRIBUTED SOLAR ENERGY GENERATION, FOR THE PURPOSE OF FULFILL-
28 ING ITS OBLIGATIONS ESTABLISHED IN SUBDIVISION TWO OF THIS SECTION.

29 (B) THE AUTHORITY SHALL EXECUTE ITS SOLICITATION PLAN AND SHALL SUBMIT
30 TO THE GOVERNOR, SPEAKER OF THE ASSEMBLY, MAJORITY LEADER OF THE SENATE,
31 AND CHAIRS OF THE SENATE AND ASSEMBLY ENERGY COMMITTEES, AND SHALL POST
32 ON ITS WEB SITE, ITS SOLAR PROCUREMENT PLAN COMPRISED OF ANY SOLAR
33 PURCHASE AGREEMENTS FOR SRECS ASSOCIATED WITH QUALIFIED SOLAR ENERGY
34 GENERATION OTHER THAN SMALL RETAIL DISTRIBUTED SOLAR ENERGY GENERATION.

35 (C) NO LATER THAN JULY FIRST, TWO THOUSAND ELEVEN, THE AUTHORITY SHALL
36 SUBMIT TO THE GOVERNOR, SPEAKER OF THE ASSEMBLY, MAJORITY LEADER OF THE
37 SENATE, AND CHAIRS OF THE SENATE AND ASSEMBLY ENERGY COMMITTEES, AND
38 SHALL POST ON ITS WEB SITE, A PLAN FOR THE ACHIEVEMENT OF ITS OBLIGATION
39 PERTAINING TO THE PROCUREMENT OF SRECS ASSOCIATED WITH SMALL RETAIL
40 DISTRIBUTED SOLAR ENERGY GENERATION ESTABLISHED IN SUBDIVISION TWO OF
41 THIS SECTION.

42 4. NO LATER THAN JANUARY FIRST, TWO THOUSAND ELEVEN, THE AUTHORITY
43 SHALL ESTABLISH A TARIFF THAT IT SHALL PAY TO APPLICABLE QUALIFIED SOLAR
44 ENERGY GENERATORS WITH WHICH THE AUTHORITY ENTERS INTO SOLAR PURCHASE
45 AGREEMENTS FOR THE PROCUREMENT OF SRECS ASSOCIATED WITH SMALL RETAIL
46 DISTRIBUTED SOLAR ENERGY GENERATION FOR THE PURPOSE OF ACHIEVING THE
47 AUTHORITY'S OBLIGATIONS PERTAINING TO SRECS ASSOCIATED WITH SUCH GENER-
48 ATION ESTABLISHED IN SUBDIVISION TWO OF THIS SECTION. THE AUTHORITY
49 SHALL ESTABLISH A SEPARATE TARIFF FOR THE PROCUREMENT OF SRECS ASSOCI-
50 ATED WITH SMALL RETAIL DISTRIBUTED SOLAR ENERGY GENERATION THAT IS
51 PRODUCED BY BUILDING INTEGRATED PHOTOVOLTAIC EQUIPMENT, WHICH SHALL BE
52 EQUIVALENT TO ONE HUNDRED TWENTY-FIVE PERCENT OF THE TARIFF APPLICABLE
53 TO SRECS ASSOCIATED WITH OTHER SOURCES OF SMALL RETAIL DISTRIBUTED SOLAR
54 ENERGY GENERATION. THE AUTHORITY SHALL REVIEW SUCH TARIFFS EVERY TWO
55 YEARS AND ADJUST AS NECESSARY TO ACHIEVE ITS OBLIGATIONS PERTAINING TO

1 SRECS ASSOCIATED WITH SMALL RETAIL DISTRIBUTED SOLAR ENERGY GENERATION
2 ESTABLISHED IN SUBDIVISION TWO OF THIS SECTION.

3 5. (A) NO LATER THAN JULY FIRST, TWO THOUSAND THIRTEEN, AND NO LATER
4 THAN JULY FIRST OF EACH YEAR THEREAFTER THROUGH THE YEAR TWO THOUSAND
5 TWENTY-SIX, THE AUTHORITY SHALL REPORT TO THE GOVERNOR, SPEAKER OF THE
6 ASSEMBLY, MAJORITY LEADER OF THE SENATE, AND CHAIRS OF THE SENATE AND
7 ASSEMBLY ENERGY COMMITTEES, AND SHALL POST ON ITS WEB SITE, A REPORT
8 REGARDING ITS PROGRESS IN MEETING ITS OBLIGATIONS ESTABLISHED IN SUBDI-
9 VISION TWO OF THIS SECTION.

10 (B) EACH REPORT THAT SHALL BE SUBMITTED PURSUANT TO THIS SUBDIVISION
11 SHALL INCLUDE, BUT NOT BE LIMITED TO: (I) THE NUMBER OF SRECS ASSOCIATED
12 WITH QUALIFIED SOLAR ENERGY GENERATION PROCURED BY THE AUTHORITY DURING
13 THE PREVIOUS CALENDAR YEAR; (II) THE NUMBER OF SUCH SRECS EACH ASSOCI-
14 ATED WITH SMALL RETAIL DISTRIBUTED SOLAR ENERGY GENERATION AND RETAIL
15 DISTRIBUTED SOLAR ENERGY GENERATION PRODUCED BY EQUIPMENT OF ANY SIZE
16 PROCURED DURING THE PREVIOUS CALENDAR YEAR; (III) THE NUMBER OF SUCH
17 SRECS PROCURED THROUGH SOLAR PURCHASE AGREEMENTS AND THE AUTHORITY'S
18 OWNERSHIP OF QUALIFIED SOLAR ENERGY GENERATION EQUIPMENT, RESPECTIVELY,
19 DURING THE PREVIOUS CALENDAR YEAR; (IV) THE AMOUNT PAID TO QUALIFIED
20 SOLAR ENERGY GENERATORS FOR SRECS ASSOCIATED WITH SMALL RETAIL DISTRIB-
21 UTED SOLAR ENERGY GENERATION THROUGH THE TARIFFS ESTABLISHED PURSUANT TO
22 SUBDIVISION FOUR OF THIS SECTION DURING THE PREVIOUS CALENDAR YEAR; AND
23 (V) THE CUMULATIVE TOTAL ASSOCIATED WITH EACH PIECE OF INFORMATION
24 DELINEATED IN SUBPARAGRAPHS (I) THROUGH (IV) OF THIS PARAGRAPH SINCE THE
25 EFFECTIVE DATE OF THIS SECTION.

26 S 6. This act shall take effect immediately.