

1048--A

2011-2012 Regular Sessions

I N S E N A T E

(PREFILED)

January 5, 2011

Introduced by Sens. PARKER, PERKINS -- read twice and ordered printed, and when printed to be committed to the Committee on Energy and Telecommunications -- recommitted to the Committee on Energy and Telecommunications in accordance with Senate Rule 6, sec. 8 -- committee discharged, bill amended, ordered reprinted as amended and recommitted to said committee

AN ACT in relation to establishing a plan to promote increased residential use of energy efficient modalities

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

1 Section 1. Plan to promote increased use of energy efficient modalities.
2 ties. The president of the New York state energy research and development
3 authority and the executive director of the dormitory authority, in
4 consultation with the chair of the public service commission, the presidents
5 of the power authority of the state of New York and Long Island
6 power authority and responsible officials of one or more private electric
7 and gas utility companies that operate within the state, shall
8 establish a plan complying with section two of this act to promote
9 increased residential use of energy efficient modalities among customers
10 of public and private electric and gas utilities within the state. Such
11 plan shall be completed not later than December 1, 2013. The completed
12 plan shall be presented to the boards of the New York state energy
13 research and development authority and the dormitory authority. If the
14 plan is not approved by both such boards, the president of the New York
15 state energy research and development authority and the executive director
16 of the dormitory authority shall work with their respective boards
17 to amend the plan so that the boards may approve the amended plan. If
18 both of the boards shall approve such plan, it shall be presented to the
19 director of the budget, and the secretaries of the senate finance
20 committee and the assembly ways and means committee and to the ranking

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

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1 minority member on each such committee. If the boards shall not approve
2 a plan by April 1, 2014, the president of the New York state energy
3 research and development authority shall so report to the director of
4 the budget, the temporary president of the senate and the speaker of the
5 assembly.

6 S 2. Elements of a plan to promote increased residential use of energy
7 efficient modalities. The plan required to be established by section one
8 of this act shall contain the following elements:

9 1. An equipment and utilization plan. Such a plan shall favor renewa-
10 ble sources of energy and shall contain, at a minimum, the following
11 elements separately for electrical energy efficiency, and gas and other
12 fossil fuel energy efficiency:

13 (a) A description of energy efficient modalities to be promoted under
14 the plan, which description may include specific individual items of
15 equipment, generic descriptions of types of equipment, and equipment
16 without descriptions except for quantitative energy use reduction goals.

17 (b) Criteria by which determinations can be made as to which energy
18 consumers may qualify for each of the selected energy efficient modal-
19 ities, individually or by class. Such criteria shall be based on objec-
20 tive factors leading to the judgment that such consumers can benefit
21 from a specific modality.

22 (c) Criteria for establishing a cost-benefit analysis for items or
23 types of equipment in various environments.

24 2. A marketing plan. Such a plan should provide overall guidance to
25 all participants of the plan to assure appropriate penetration of the
26 available markets for each classification of equipment.

27 3. A financing plan. Such a plan shall contain at a minimum the
28 following elements:

29 (a) A plan for raising funds from private investors to allow residen-
30 tial consumers to purchase energy efficient modalities favored by the
31 equipment and utilization plan, which funds can be repaid by the consum-
32 er in monthly installments in connection with their utility bills.

33 (b) A plan for collection and remittance of such monthly consumer
34 installment payments for the payment of bondholders.

35 (c) A plan for assuring repayment to bondholders by incorporating
36 strong incentives to the consumer to make the necessary payments, or by
37 setting up a fund to cover expected defaults, or both.

38 S 3. Pilot program implementation. 1. Not earlier than ninety days
39 after the submission of the plan required to be submitted by section one
40 of this act, the dormitory authority and the New York energy research
41 and development authority shall begin to activate the plan to promote
42 increased residential use of energy efficient modalities as a pilot
43 program. The authorities shall enter into an agreement with one or more
44 private or public utilities providing electric and/or gas service. Such
45 agreement shall establish marketing responsibilities for the approved
46 energy savings modalities, require the utility to add the monthly
47 installment payments for the acquisition by customers of the utility of
48 any approved energy efficient modalities and to collect and remit such
49 payments as required by the agreement for the repayment of bonds issued
50 by the dormitory authority pursuant to section four of this act. The
51 agreement shall provide for an appropriate administrative fee to be
52 withheld by the utility to compensate it for its services. Such agree-
53 ment shall be limited to purchases of energy saving modalities during a
54 period not to exceed three years, provided, however, that the agreement
55 shall provide for servicing of accounts by the utility through the life

1 of the bonds issued by the dormitory authority pursuant to section four
2 of this act.

3 2. Not later than two years after the inception of the plan, the
4 dormitory authority and the New York state energy research and develop-
5 ment authority shall provide to the director of the budget, the secre-
6 taries of the senate finance committee and assembly ways and means
7 committee and the ranking minority member of the senate finance commit-
8 tee and assembly ways and means committee a report detailing the
9 progress of the program during the first eighteen months of its opera-
10 tion. The authorities shall update the report for each three-month peri-
11 od following the first eighteen months.

12 S 4. Dormitory authority bonds. The dormitory authority may issue its
13 bonds and notes up to the maximum amount of five million dollars for the
14 purpose of financing the purchase of energy efficient modalities by
15 consumers which bonds and notes shall be secured by a pledge of install-
16 ment payments due from the purchasers of energy efficient modalities and
17 payable through the cooperating utility.

18 S 5. This act shall take effect immediately.