

4178--A

2011-2012 Regular Sessions

I N S E N A T E

March 22, 2011

Introduced by Sens. MAZIARZ, ADDABBO, AVELLA, BALL, BONACIC, CARLUCCI, DILAN, DUANE, GIANARIS, GRISANTI, HANNON, KENNEDY, KLEIN, KRUEGER, LANZA, LAVALLE, MONTGOMERY, NOZZOLIO, OPPENHEIMER, PARKER, PERKINS, ROBACH, SERRANO, STEWART-COUSINS -- 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 and the public authorities law, in relation to the creation of the New York solar industry development and jobs act of 2011 and the procurement of solar renewable energy credits; and providing for the repeal of such provisions upon expiration thereof

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 energy industry in New York by creating a scalable, diverse and  
4 competitive solar energy market. By tapping into the state's abundant  
5 solar energy resources, it is the further intent of the legislature to  
6 harness the multiple benefits associated with the generation of such  
7 clean energy and the development of a robust solar industry, including  
8 the creation of much needed well-paying jobs, a reduction of the long-  
9 term costs of electricity generation for New York's energy consumers,  
10 including transmission and distribution costs that continue to acceler-  
11 ate in proportion to overall electricity supply costs for the residents  
12 of this state, increased reliability of the state's electric grid, an  
13 increase in the security of the state's energy supplies, the creation of  
14 economic opportunities for solar component makers and installation  
15 contractors throughout the state, and a decrease in the emission of  
16 harmful air pollution, including localized emissions from "peaker"  
17 plants and greenhouse gas emissions. By establishing such a program, New

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

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1 York will create a solar energy industry that will elevate the state to  
2 be among the world's leaders in clean energy industry, while helping to  
3 secure increased economic development and security for New Yorkers.

4 S 2. Short title. This act shall be known and may be cited as the  
5 "New York solar industry development and jobs act of 2011".

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

8 S 66-M. PROCUREMENT OF SOLAR RENEWABLE ENERGY CREDITS. 1. AS USED IN  
9 THIS SECTION:

10 (A) "BUILDING INTEGRATED SOLAR ENERGY EQUIPMENT" MEANS A SOLAR ENERGY  
11 DEVICE THAT DIRECTLY FUNCTIONS AS A PART OF THE ENVELOPE OF A BUILDING  
12 INCLUDING INTEGRATED ROOF COVER, FACADE OR BUILDING CLADDING, GLAZED  
13 SURFACES, SOLAR SHADING DEVICES, CANOPIES, AND SKYLIGHTS;

14 (B) "ELECTRIC DISTRIBUTION COMPANY" MEANS AN INVESTOR-OWNED UTILITY  
15 THAT DISTRIBUTES ELECTRICITY WITHIN THIS STATE;

16 (C) "SOLAR ENERGY DEVICE" MEANS A SYSTEM OF COMPONENTS THAT GENERATES  
17 ELECTRICITY FROM INCIDENTAL SUNLIGHT BY MEANS OF THE PHOTOVOLTAIC EFFECT  
18 AND IS INTERCONNECTED TO THE ELECTRICAL DISTRIBUTION SYSTEM;

19 (D) "QUALIFIED SOLAR ENERGY GENERATION" MEANS ELECTRIC POWER GENERATED  
20 BY A SOLAR ENERGY DEVICE THAT IS PLACED IN SERVICE WITHIN THE JURISDIC-  
21 TIONAL BOUNDARIES OF THE STATE ON OR AFTER JANUARY FIRST, TWO THOUSAND  
22 TWELVE AND THAT IS INSTALLED IN ACCORDANCE WITH QUALIFIED CONDITIONS;

23 (E) "QUALIFIED SOLAR ENERGY GENERATOR" MEANS THE OWNER OF A SOLAR  
24 ENERGY DEVICE OR DEVICES THAT PRODUCES QUALIFIED SOLAR ENERGY GENER-  
25 ATION;

26 (F) "RETAIL DISTRIBUTED SOLAR ENERGY GENERATION" MEANS QUALIFIED SOLAR  
27 ENERGY GENERATION PRODUCED BY A SOLAR ENERGY DEVICE LOCATED ON THE  
28 CUSTOMER SIDE OF THE ELECTRIC DISTRIBUTION COMPANY METER;

29 (G) "RETAIL ELECTRIC SUPPLIER" MEANS AN ENTITY AUTHORIZED TO SELL  
30 ELECTRICITY AT RETAIL TO END-USE CUSTOMERS IN THIS STATE, INCLUDING AN  
31 ELECTRIC DISTRIBUTION COMPANY ACTING AS A PROVIDER OF LAST RESORT OR AN  
32 ENERGY SERVICE COMPANY LICENSED BY THE COMMISSION FOR SUCH PURPOSE;

33 (H) "RESIDENTIAL DISTRIBUTED SOLAR ENERGY GENERATION" MEANS RETAIL  
34 DISTRIBUTED SOLAR ENERGY GENERATION PRODUCED BY A SOLAR ENERGY DEVICE  
35 THAT IS EQUAL TO OR LESS THAN TEN KILOWATTS IN CAPACITY;

36 (I) "SMALL RETAIL DISTRIBUTED SOLAR ENERGY GENERATION" MEANS RETAIL  
37 DISTRIBUTED SOLAR ENERGY GENERATION PRODUCED BY A SOLAR ENERGY DEVICE  
38 THAT IS GREATER THAN TEN KILOWATTS AND EQUAL TO OR LESS THAN FIFTY KILO-  
39 WATTS IN CAPACITY;

40 (J) "COMMERCIAL DISTRIBUTED SOLAR ENERGY GENERATION" MEANS RETAIL  
41 DISTRIBUTED SOLAR ENERGY GENERATION PRODUCED BY A SOLAR ENERGY DEVICE  
42 THAT IS FIFTY KILOWATTS OR GREATER AND EQUAL TO OR LESS THAN FIVE  
43 HUNDRED KILOWATTS IN CAPACITY;

44 (K) "QUALIFIED CONDITIONS" MEANS USING QUALIFIED INSTALLERS AND, FOR  
45 ANY SOLAR ENERGY DEVICE EXCEEDING SEVENTY-FIVE KILOWATTS IN CAPACITY,  
46 PAYMENT TO SUCH QUALIFIED INSTALLERS OF WAGES AND SUPPLEMENTS FOR THE  
47 INSTALLATION OF SUCH SOLAR ENERGY DEVICE IN ACCORDANCE WITH THE PREVAIL-  
48 ING WAGES AND SUPPLEMENTS THAT WOULD BE APPLICABLE TO A CONTRACT FOR  
49 PUBLIC WORK, PURSUANT TO SECTION TWO HUNDRED TWENTY OF THE LABOR LAW, IN  
50 THE LOCATION IN WHICH SUCH SOLAR ENERGY DEVICE IS LOCATED AT THE TIME OF  
51 SUCH INSTALLATION.

52 (1) (I) "QUALIFIED INSTALLER" MEANS: A PERSON WHO: (A) (1) WITH  
53 RESPECT TO THE INSTALLATION OF A SOLAR ELECTRIC DEVICE, HOLDS A LICENSE  
54 AS A MASTER ELECTRICIAN, OR IS DESIGNATED AN APPROVED INSTALLER BY THE  
55 NEW YORK STATE ENERGY RESEARCH AND DEVELOPMENT AUTHORITY, OR HAS  
56 COMPLETED A REGISTERED APPRENTICESHIP TRAINING PROGRAM FOR ELECTRICIANS

1 PURSUANT TO SECTION EIGHT HUNDRED ELEVEN OF THE LABOR LAW, OR (2) WITH  
2 RESPECT TO THE INSTALLATION OF A SOLAR THERMAL DEVICE, HOLDS A LICENSE  
3 AS A MASTER PLUMBER, OR IS DESIGNATED AN APPROVED INSTALLER BY THE NEW  
4 YORK STATE ENERGY RESEARCH AND DEVELOPMENT AUTHORITY, OR HAS COMPLETED A  
5 REGISTERED APPRENTICESHIP TRAINING PROGRAM FOR PLUMBERS PURSUANT TO  
6 SECTION EIGHT HUNDRED ELEVEN OF THE LABOR LAW; AND

7 (B) HAS BEEN CERTIFIED PRIOR TO PERFORMING ANY WORK ON THE PROJECT AS  
8 HAVING SUCCESSFULLY COMPLETED A COURSE IN CONSTRUCTION SAFETY AND HEALTH  
9 APPROVED BY THE UNITED STATES DEPARTMENT OF LABOR'S OCCUPATIONAL SAFETY  
10 AND HEALTH ADMINISTRATION THAT IS AT LEAST TEN HOURS IN DURATION; AND

11 (C) WITH RESPECT TO ANY SOLAR INSTALLATION COMMENCED AFTER DECEMBER  
12 THIRTY-FIRST, TWO THOUSAND ELEVEN, HAS SUBMITTED TO THE CUSTOMER PROOF  
13 OF COMPLIANCE WITH THE AFOREMENTIONED REQUIREMENTS OF THIS PARAGRAPH.

14 (II) THE EMPLOYER OF A QUALIFIED INSTALLER SHALL ALSO BE DEEMED A  
15 QUALIFIED INSTALLER, PROVIDED THAT SUCH EMPLOYER MAINTAINS WORKERS'  
16 COMPENSATION INSURANCE AND COMMERCIAL LIABILITY INSURANCE IN THE AMOUNTS  
17 REQUIRED BY LAW AND PROVIDED FURTHER THAT THE EMPLOYEES OF SUCH EMPLOYER  
18 ENGAGED IN THE INSTALLATION OF SOLAR ELECTRIC SYSTEMS HAVE SUCCESSFULLY  
19 COMPLETED A COURSE IN CONSTRUCTION SAFETY AND HEALTH APPROVED BY THE  
20 UNITED STATES DEPARTMENT OF LABOR'S OCCUPATIONAL SAFETY AND HEALTH  
21 ADMINISTRATION THAT IS AT LEAST TEN HOURS IN DURATION;

22 (III) ANY PERSON OR EMPLOYER MEETING THE DEFINITION OF QUALIFIED  
23 INSTALLER AS SET FORTH HEREIN SHALL BE ELIGIBLE TO PARTICIPATE IN ANY  
24 SOLAR ELECTRIC INCENTIVE PROGRAM OFFERED BY THE NEW YORK STATE ENERGY  
25 RESEARCH AND DEVELOPMENT ADMINISTRATION (NYSERDA) ON THE SAME TERMS AND  
26 CONDITIONS AS ANY INDIVIDUAL DESIGNATED BY NYSERDA TO BE A QUALIFIED  
27 INSTALLER;

28 (IV) ANY QUALIFIED INSTALLER IS ELIGIBLE TO PARTICIPATE IN ANY NYSERDA  
29 INCENTIVE PROGRAM FOR A RESIDENTIAL SOLAR INSTALLATION ON THEIR OWN  
30 PREMISES WITHOUT MAINTAINING COMMERCIAL LIABILITY INSURANCE AND WORKERS'  
31 COMPENSATION INSURANCE SO LONG AS THEY HAVE HOMEOWNERS INSURANCE;

32 (M) "SOLAR ALTERNATIVE COMPLIANCE PAYMENT" MEANS A PAYMENT OF A  
33 CERTAIN DOLLAR AMOUNT PER MEGAWATT-HOUR, AS ESTABLISHED BY THE COMMIS-  
34 SION PURSUANT TO SUBDIVISION THREE OF THIS SECTION, THAT A RETAIL ELEC-  
35 TRIC SUPPLIER MAY SUBMIT TO THE COMMISSION IN ORDER TO COMPLY WITH ITS  
36 ANNUAL OBLIGATIONS ESTABLISHED IN SUBDIVISION TWO OF THIS SECTION;

37 (N) "SOLAR PURCHASE AGREEMENT" MEANS AN AGREEMENT, FOR A MINIMUM OF  
38 SEVEN YEARS, FOR THE PURCHASE OF SRECS FROM A QUALIFIED SOLAR ENERGY  
39 GENERATOR;

40 (O) "STANDARD SREC OFFER" MEANS AN AGREEMENT BY A RETAIL ELECTRIC  
41 SUPPLIER, ENTERED INTO WITH A RETAIL DISTRIBUTED SOLAR ENERGY GENERATOR  
42 IN ADVANCE OF THE INSTALLATION OF A SOLAR ENERGY DEVICE BY SUCH GENERA-  
43 TOR, TO PURCHASE FROM SUCH RETAIL DISTRIBUTED SOLAR ENERGY GENERATOR,  
44 FOR A MINIMUM OF SEVEN YEARS, UPON SUCCESSFUL COMPLETION OF THE INSTAL-  
45 LATION OF THE SOLAR ENERGY DEVICE AND, IN THE CASE OF A SOLAR ELECTRIC  
46 DEVICE, UPON INTERCONNECTION TO THE RETAIL DISTRIBUTION SYSTEM, THE  
47 SRECS THAT WILL BE GENERATED BY SUCH SOLAR ENERGY DEVICE;

48 (P) "SOLAR RENEWABLE ENERGY CREDIT" OR "SREC" MEANS THE ENVIRONMENTAL  
49 ATTRIBUTES ASSOCIATED WITH ONE MEGAWATT-HOUR OF QUALIFIED SOLAR ENERGY  
50 GENERATION;

51 (Q) "ENHANCED SREC" MEANS A SREC (I) ASSOCIATED WITH RESIDENTIAL OR  
52 SMALL RETAIL DISTRIBUTED SOLAR ENERGY GENERATION PRODUCED BY (A) BUILD-  
53 ING-INTEGRATED SOLAR ENERGY EQUIPMENT OR (B) A SOLAR ENERGY DEVICE THAT  
54 CONSISTS OF NEW YORK STATE CONTENT; OR (II) ASSOCIATED WITH RESIDENTIAL  
55 DISTRIBUTED SOLAR ENERGY GENERATION PRODUCED BY A SOLAR ENERGY DEVICE  
56 THAT WAS INSTALLED USING QUALIFIED INSTALLERS TO WHOM PAYMENT OF WAGES

1 AND SUPPLEMENTS FOR THE INSTALLATION OF SUCH SOLAR ENERGY DEVICE WAS IN  
2 ACCORDANCE WITH THE PREVAILING WAGES AND SUPPLEMENTS THAT WOULD BE  
3 APPLICABLE TO A CONTRACT FOR PUBLIC WORK, PURSUANT TO SECTION TWO  
4 HUNDRED TWENTY OF THE LABOR LAW, IN THE LOCATION IN WHICH SUCH SOLAR  
5 ENERGY DEVICE IS LOCATED AT THE TIME OF SUCH INSTALLATION. FOR EACH SUCH  
6 ENHANCING ASPECT, AS PROVIDED FOR IN THIS PARAGRAPH, AN ENHANCED SREC  
7 SHALL BE DEEMED TO HAVE THE ENVIRONMENTAL ATTRIBUTES OF AN ADDITIONAL  
8 TWENTY-FIVE PERCENT OF ITS UNDERLYING MEGAWATT-HOURS; PROVIDED, HOWEVER,  
9 THAT AN ENHANCED SREC SHALL NOT BE DEEMED TO POSSESS ENVIRONMENTAL  
10 ATTRIBUTES EXCEEDING ONE HUNDRED AND FIFTY PERCENT OF THE UNDERLYING  
11 SREC;

12 (R) "AMERICAN-MADE CONTENT" MEANS:

13 (I) A NON-MANUFACTURED GOOD THAT HAS BEEN MINED OR PRODUCED IN THE  
14 UNITED STATES OR ANY PLACE SUBJECT TO THE JURISDICTION THEREOF; AND

15 (II) A MANUFACTURED GOOD IN WHICH (1) THE COMPONENT SUPPLIES OR MATE-  
16 RIALS OF SUCH GOOD HAVE BEEN SUBSTANTIALLY TRANSFORMED BY A PROCESS OR  
17 PROCESSES PERFORMED WITHIN THE UNITED STATES OR ANY PLACE SUBJECT TO THE  
18 JURISDICTION THEREOF, OR (2) THE COST OF SUPPLIES THAT HAVE BEEN MINED  
19 OR PRODUCED WITHIN THE UNITED STATES OR ANY PLACE SUBJECT TO THE JURIS-  
20 DICTION THEREOF CONSTITUTES AT LEAST FIFTY PERCENT OF THE COST OF ALL  
21 SUPPLIES USED IN THE MANUFACTURE;

22 (S) "NEW YORK STATE CONTENT" MEANS:

23 (I) A NON-MANUFACTURED GOOD THAT HAS BEEN MINED OR PRODUCED WITHIN THE  
24 JURISDICTIONAL BOUNDARIES OF THE STATE OF NEW YORK; AND

25 (II) A MANUFACTURED GOOD IN WHICH (1) THE COMPONENT SUPPLIES OR MATE-  
26 RIALS OF SUCH GOOD HAVE BEEN SUBSTANTIALLY TRANSFORMED BY A PROCESS OR  
27 PROCESSES PERFORMED WITHIN THE JURISDICTIONAL BOUNDARIES OF THE STATE OF  
28 NEW YORK, OR (2) THE COST OF SUPPLIES THAT HAVE BEEN MINED OR PRODUCED  
29 WITHIN THE JURISDICTIONAL BOUNDARIES OF THE STATE OF NEW YORK CONSTI-  
30 TUTES AT LEAST FIFTY PERCENT OF THE COST OF ALL SUPPLIES USED IN THE  
31 MANUFACTURE;

32 (T) "KILOWATT," "MEGAWATT," "KILOWATT-HOUR," AND "MEGAWATT-HOUR" SHALL  
33 INCLUDE THEIR ENERGY EQUIVALENTS STATED IN TERMS OF BRITISH THERMAL  
34 UNITS "BTU";

35 (U) "COMPLIANCE YEAR" MEANS THE PERIOD BEGINNING ON JULY FIRST AND  
36 ENDING ON THE FOLLOWING JUNE THIRTIETH, AND SHALL BE IDENTIFIED ACCORD-  
37 ING TO THE CALENDAR YEAR IN WHICH IT BEGINS.

38 1-A. NOTWITHSTANDING ANY PROVISION OF SUBDIVISION ONE OF THIS SECTION  
39 TO THE CONTRARY, ELECTRIC POWER GENERATED BY A SOLAR ENERGY DEVICE  
40 LOCATED WITHIN THE JURISDICTIONAL BOUNDARIES OF THIS STATE, THE INSTAL-  
41 LATION OF WHICH WAS COMMENCED ON OR AFTER JULY FIRST, TWO THOUSAND ELEV-  
42 EN AND AT LEAST FIVE PERCENT OF THE TOTAL PROJECT COST OF WHICH WAS  
43 EXPENDED NO LATER THAN DECEMBER THIRTY-FIRST, TWO THOUSAND ELEVEN SHALL  
44 BE DEEMED "QUALIFIED SOLAR ENERGY GENERATION" AND SRECS ASSOCIATED WITH  
45 SUCH A DEVICE MAY BE PURCHASED BY A RETAIL ELECTRIC SUPPLIER TO MEET  
46 SUCH SUPPLIER'S ANNUAL OBLIGATIONS UNDER THIS SECTION; AND FURTHER  
47 NOTWITHSTANDING ANY PROVISION OF SUBDIVISION ONE OF THIS SECTION TO THE  
48 CONTRARY, ELECTRIC POWER GENERATED BY A SOLAR ENERGY DEVICE THAT WAS  
49 PLACED IN SERVICE WITHIN THE JURISDICTIONAL BOUNDARIES OF THIS STATE  
50 PRIOR TO JULY FIRST, TWO THOUSAND ELEVEN SHALL UNTIL JUNE THIRTIETH, TWO  
51 THOUSAND FIFTEEN BE DEEMED "QUALIFIED SOLAR ENERGY GENERATION" AND SRECS  
52 ASSOCIATED WITH SUCH A DEVICE MAY BE PURCHASED BY A RETAIL ELECTRIC  
53 SUPPLIER TO MEET SUCH SUPPLIER'S ANNUAL OBLIGATIONS UNDER THIS SECTION  
54 UNTIL JUNE THIRTIETH, TWO THOUSAND FIFTEEN.

1 2. (A) EACH RETAIL ELECTRIC SUPPLIER SHALL ANNUALLY PROCURE, AT MINI-  
 2 MUM, SRECS TO MEET THE FOLLOWING PERCENTAGES OF SUCH SUPPLIER'S TOTAL  
 3 ELECTRIC SALES IN EACH COMPLIANCE YEAR:

4 COMPLIANCE	5 ANNUAL
6 YEAR	7 REQUIREMENT
8 2012	9 .33 %
10 2013	11 .375%
12 2014	13 .425%
14 2015	15 .475%
16 2016	17 .525%
18 2017	19 .6 %
20 2018	21 .65 %
22 2019	23 .75 %
24 2020	25 .9 %
26 2021	27 1.0 %
28 2022	29 1.25 %
30 2023	31 1.5 %
32 2024	33 1.5 %
34 2025	35 1.5 %

36 (B) AT LEAST FORTY PERCENT OF THE ANNUAL OBLIGATION APPLICABLE TO EACH  
 37 RETAIL ELECTRIC SUPPLIER THAT IS AN ELECTRIC DISTRIBUTION COMPANY SHALL  
 38 BE MET THROUGH THE PROCUREMENT OF SRECS ASSOCIATED WITH RETAIL DISTRIB-  
 39 UTED SOLAR ENERGY GENERATION, IN ACCORDANCE WITH THE FOLLOWING REQUIRE-  
 40 MENTS:

41 (I) AT LEAST TEN PERCENT OF THE ANNUAL OBLIGATION APPLICABLE TO EACH  
 42 RETAIL ELECTRIC SUPPLIER THAT IS AN ELECTRIC DISTRIBUTION COMPANY SHALL  
 43 BE MET THROUGH THE PROCUREMENT OF SRECS ASSOCIATED WITH RESIDENTIAL  
 44 DISTRIBUTED SOLAR ENERGY GENERATION;

45 (II) AT LEAST TEN PERCENT OF SUCH ANNUAL OBLIGATION SHALL BE MET  
 46 THROUGH THE PROCUREMENT OF SRECS ASSOCIATED WITH SMALL RETAIL DISTRIB-  
 47 UTED SOLAR ENERGY GENERATION;

48 (III) AT LEAST TEN PERCENT OF SUCH ANNUAL OBLIGATION SHALL BE MET  
 49 THROUGH THE PROCUREMENT OF SRECS ASSOCIATED WITH COMMERCIAL DISTRIBUTED  
 50 SOLAR ENERGY GENERATION; AND

51 (IV) AT LEAST AN ADDITIONAL TEN PERCENT OF THE ANNUAL OBLIGATION  
 52 APPLICABLE TO EACH RETAIL ELECTRIC SUPPLIER THAT IS AN ELECTRIC DISTRIB-  
 53 UTION COMPANY SHALL BE MET THROUGH THE PROCUREMENT OF SRECS ASSOCIATED  
 54 WITH RETAIL DISTRIBUTED SOLAR ENERGY GENERATION PRODUCED BY EQUIPMENT OF  
 55 ANY SIZE.

56 (C) NOT MORE THAN SIXTY PERCENT OF THE ANNUAL OBLIGATION APPLICABLE TO  
 EACH RETAIL ELECTRIC SUPPLIER THAT IS AN ELECTRIC DISTRIBUTION COMPANY  
 MAY BE MET BY THE PROCUREMENT OF SRECS ASSOCIATED WITH ENERGY GENERATION  
 PRODUCED BY SOLAR ENERGY DEVICES LOCATED OUTSIDE OF SUCH RETAIL ELECTRIC  
 SUPPLIER'S SERVICE TERRITORY.

(D) FOR COMPLIANCE YEAR TWO THOUSAND TWELVE, AT LEAST 10 PERCENT OF  
 THE ANNUAL OBLIGATION APPLICABLE TO EACH RETAIL ELECTRIC SUPPLIER THAT  
 IS AN ELECTRIC DISTRIBUTION COMPANY SHALL BE MET THROUGH THE PROCUREMENT  
 OF SRECS ASSOCIATED WITH SOLAR ENERGY DEVICES THAT CONSIST OF AMERICAN-  
 MADE CONTENT; FOR COMPLIANCE YEAR TWO THOUSAND THIRTEEN AT LEAST 25  
 PERCENT OF SUCH OBLIGATION SHALL BE SO MET; FOR COMPLIANCE YEAR TWO  
 THOUSAND FOURTEEN AT LEAST 40 PERCENT OF SUCH OBLIGATION SHALL BE SO  
 MET; FOR COMPLIANCE YEAR TWO THOUSAND FIFTEEN AT LEAST 60 PERCENT OF  
 SUCH OBLIGATION SHALL BE SO MET; AND FOR EACH COMPLIANCE YEAR THEREAFTER  
 AT LEAST 80 PERCENT OF SUCH OBLIGATION SHALL BE MET THROUGH THE PROCURE-  
 MENT OF SRECS ASSOCIATED WITH SOLAR ENERGY DEVICES THAT CONSIST OF AMER-  
 ICAN-MADE CONTENT.

1 (E) 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 (F) RETAIL ELECTRIC SUPPLIERS MAY MEET THEIR OBLIGATIONS ESTABLISHED  
5 BY THE COMMISSION PURSUANT TO THIS SUBDIVISION THROUGH THE PROCUREMENT  
6 OR SRECS TOGETHER WITH OR SEPARATE FROM THE ASSOCIATED QUALIFIED SOLAR  
7 ENERGY GENERATION.

8 (G) NO LATER THAN MARCH THIRTY-FIRST, TWO THOUSAND TWELVE, THE COMMIS-  
9 SION, IN COORDINATION WITH THE WHOLESALE GRID OPERATOR, SHALL ESTABLISH  
10 AN AUTOMATED SREC TRACKING SYSTEM, WHICH SHALL BE SUBSTANTIALLY SIMILAR  
11 TO SYSTEMS ESTABLISHED AND USED FOR SIMILAR PURPOSES IN NEIGHBORING  
12 STATES.

13 (H) SRECS SHALL BE ELIGIBLE FOR USE IN MEETING THE OBLIGATIONS ESTAB-  
14 LISHED IN THIS SUBDIVISION IN THE COMPLIANCE YEAR IN WHICH THEY ARE  
15 CREATED AND FOR THE FOLLOWING TWO COMPLIANCE YEARS.

16 (I) TRANSACTIONS FOR THE PROCUREMENT OF SRECS BY RETAIL ELECTRIC  
17 SUPPLIERS FROM QUALIFIED SOLAR ENERGY GENERATORS SHALL BE FOR SRECS IN  
18 WHOLE UNITS.

19 2-A. (A) ON JUNE FIFTEENTH IN EACH YEAR, OR ON THE FIRST BUSINESS DAY  
20 THEREAFTER, THE COMMISSION SHALL ADMINISTER A SREC SALE IN WHICH QUALI-  
21 FIED SOLAR ENERGY GENERATORS SHALL BE ELIGIBLE TO PARTICIPATE. THE  
22 COMMISSION SHALL ESTABLISH AND MAINTAIN A SOLAR SALE ACCOUNT ON THE  
23 AUTOMATED SREC TRACKING SYSTEM INTO WHICH QUALIFIED SOLAR ENERGY GENERA-  
24 TORS MAY, AT THEIR DISCRETION, DEPOSIT SRECS BETWEEN APRIL FIRST AND  
25 APRIL THIRTIETH OF EACH YEAR TO BE OFFERED AT SUCH SALE. THE DEPOSITED  
26 SRECS SHALL THEN BE RETIRED AND REISSUED BY THE COMMISSION AS RE-MINTED  
27 SRECS ELIGIBLE FOR PURCHASE BY RETAIL ELECTRIC DISTRIBUTION COMPANIES.  
28 THESE SRECS SHALL BE ELIGIBLE TO BE USED TO MEET OBLIGATIONS OF THE  
29 RETAIL ELECTRICAL DISTRIBUTION COMPANIES IN THE COMPLIANCE YEAR IN WHICH  
30 THEY WERE GENERATED OR IN EITHER OF THE TWO IMMEDIATELY SUBSEQUENT  
31 COMPLIANCE YEARS. ANY RETAIL ELECTRIC SUPPLIER MAY PARTICIPATE AND ENTER  
32 A BID FOR THE QUANTITY OF SRECS THEY WISH TO PURCHASE AT A FIXED PRICE  
33 OF THREE HUNDRED DOLLARS PER SREC.

34 (B) IF THE TOTAL NUMBER OF RE-MINTED SRECS BID FOR BY THE RETAIL  
35 DISTRIBUTION COMPANIES IN THE SALE IS EQUAL TO OR MORE THAN THE NUMBER  
36 OF SRECS DEPOSITED, THEN THE TOTAL AMOUNT OF DEPOSITED SRECS WILL BE  
37 DISTRIBUTED TO THE BIDDERS IN A PRO-RATED MANNER SUCH THAT THE RATIO OF  
38 SRECS RECEIVED TO SRECS BID FOR BY EACH BIDDER IS EQUAL AMONG ALL  
39 BIDDERS, AND EACH QUALIFIED SOLAR ENERGY GENERATOR WHO CONTRIBUTED SRECS  
40 SHALL RECEIVE A FIXED PAYMENT OF THREE HUNDRED DOLLARS PER SREC CONTRIB-  
41 UTED, LESS A USAGE FEE OF FIVE PERCENT OF THE SALE PRICE OF EACH DEPOS-  
42 ITED SREC. THE USAGE FEE SHALL BE DEPOSITED INTO THE ALTERNATIVE COMPLI-  
43 ANCE PAYMENT FUND. IF THE TOTAL NUMBER OF RE-MINTED SRECS BID FOR IN THE  
44 AUCTION IS LESS THAN THE NUMBER OF SRECS DEPOSITED, THE AUCTION SHALL BE  
45 VOID AND A NEW AUCTION SHALL BE HELD WITHIN THREE BUSINESS DAYS, IN  
46 WHICH ANY SRECS PURCHASED SHALL BE ELIGIBLE TO BE USED TO MEET OBLI-  
47 GATIONS OF THE RETAIL ELECTRICAL DISTRIBUTION COMPANIES IN THE COMPLI-  
48 ANCE YEAR IN WHICH THEY WERE GENERATED OR IN ANY OF THE THREE COMPLIANCE  
49 YEARS SUBSEQUENT TO THE YEAR IN WHICH THEY WERE GENERATED.

50 (C) IF THE TOTAL NUMBER OF RE-MINTED SRECS BID FOR BY THE RETAIL  
51 DISTRIBUTION COMPANIES IN THE SECOND SALE IS EQUAL TO OR MORE THAN THE  
52 NUMBER OF SRECS DEPOSITED, THEN THE TOTAL AMOUNT OF DEPOSITED SRECS WILL  
53 BE DISTRIBUTED TO THE BIDDERS IN A PRO-RATED MANNER AND EACH QUALIFIED  
54 SOLAR ENERGY GENERATOR WHO CONTRIBUTED SRECS SHALL RECEIVE PAYMENT OF  
55 THREE HUNDRED DOLLARS PER SREC CONTRIBUTED, LESS A USAGE FEE OF FIVE  
56 PERCENT OF THE SALE PRICE OF EACH DEPOSITED SREC. IF THE TOTAL NUMBER OF

1 RE-MINTED SRECS BID FOR IN THE SECOND AUCTION IS LESS THAN THE NUMBER OF  
2 SRECS DEPOSITED, EACH BIDDER SHALL RECEIVE THE FULL NUMBER OF SRECS THAT  
3 SUCH BIDDER ENTERED A BID FOR, AND PROCEEDS FROM THE SALE SHALL BE  
4 DISTRIBUTED TO THE SREC CONTRIBUTORS IN A PRO-RATED MANNER SUCH THAT THE  
5 RATIO OF SALE PROCEEDS RECEIVED TO SRECS CONTRIBUTED BY EACH CONTRIBUTOR  
6 IS EQUAL AMONG ALL CONTRIBUTORS. THE RE-MINTED SRECS IN EXCESS OF THE  
7 NUMBER BID FOR SHALL BE RETURNED TO EACH SOLAR ENERGY GENERATOR THAT  
8 DEPOSITED SRECS INTO THE SALE ACCOUNT IN A NUMBER PROPORTIONAL TO EACH  
9 SOLAR ENERGY GENERATOR'S SHARE OF THE SRECS ORIGINALLY DEPOSITED IN THE  
10 SALE ACCOUNT FOR THAT YEAR. IF LESS THAN THE NUMBER OF SRECS DEPOSITED  
11 INTO THE SALE ACCOUNT ARE SOLD, THE COMMISSION SHALL REVIEW THE COMPLI-  
12 ANCE OBLIGATIONS OF THE RETAIL ELECTRIC DISTRIBUTION COMPANIES FOR THE  
13 SUBSEQUENT COMPLIANCE YEAR AND ADJUST UPWARD SUCH OBLIGATIONS BASED ON  
14 THE COMMISSION'S DETERMINATION OF THE LEVEL NECESSARY TO ENSURE THAT THE  
15 DEMAND FOR SRECS GENERATED BY SUCH OBLIGATIONS SHALL BE SUFFICIENT TO  
16 EQUAL THE QUANTITY OF SRECS PROJECTED TO BE PRODUCED BY QUALIFIED SOLAR  
17 ENERGY GENERATORS IN THE SUBSEQUENT YEAR.

18 3. (A) IN THE EVENT THAT A RETAIL ELECTRIC SUPPLIER FAILS TO MEET ITS  
19 OBLIGATIONS ESTABLISHED IN SUBDIVISION TWO OF THIS SECTION, IT SHALL  
20 DISCHARGE SUCH OBLIGATIONS BY MAKING A SOLAR ALTERNATIVE COMPLIANCE  
21 PAYMENT IN AN AMOUNT ESTABLISHED PURSUANT TO THIS SUBDIVISION.

22 (B) NO LATER THAN FEBRUARY FIRST, TWO THOUSAND TWELVE, THE COMMISSION  
23 SHALL ESTABLISH A SOLAR ALTERNATIVE COMPLIANCE PAYMENT SCHEDULE THROUGH  
24 THE YEAR TWO THOUSAND TWENTY-FIVE AT LEVELS THAT ARE DETERMINED TO BE  
25 SUFFICIENT TO STIMULATE THE DEVELOPMENT OF NEW QUALIFIED SOLAR ENERGY  
26 GENERATION EQUIPMENT NECESSARY TO ACHIEVE THE OBLIGATIONS ESTABLISHED IN  
27 SUBDIVISION TWO OF THIS SECTION. NO LATER THAN FEBRUARY FIRST OF EACH  
28 YEAR THEREAFTER, THE COMMISSION SHALL ANNUALLY REVIEW SUCH SCHEDULE TO  
29 ENSURE THAT THE PAYMENTS ARE SET AT A LEVEL SUFFICIENT TO STIMULATE SUCH  
30 DEVELOPMENT AND MAY ADOPT, AFTER APPROPRIATE NOTICE AND OPPORTUNITY FOR  
31 PUBLIC COMMENT, AN INCREASE OR DECREASE IN ALTERNATIVE COMPLIANCE  
32 PAYMENTS CONSISTENT WITH THE FINDINGS OF SUCH REVIEW. THE COMMISSION  
33 SHALL NOT REDUCE LEVELS OF PAYMENTS FOR PREVIOUS YEARS.

34 (C) FIFTY PERCENT OF ALL MONIES COLLECTED THROUGH SUCH ALTERNATIVE  
35 COMPLIANCE PAYMENTS SHALL BE CREDITED TO THE ELECTRIC DISTRIBUTION  
36 COMPANY'S CUSTOMERS, AND FIFTY PERCENT OF SUCH MONIES SHALL BE DISTRIB-  
37 UTED TO THE EMPIRE STATE DEVELOPMENT CORPORATION FOR SOLAR INDUSTRY  
38 DEVELOPMENT PROGRAMS IN COUNTIES OUTSIDE OF THE CITY OF NEW YORK.

39 4. (A) NO LATER THAN MARCH THIRTY-FIRST, TWO THOUSAND TWELVE, THE  
40 COMMISSION SHALL ESTABLISH A TEMPLATE FOR SOLAR PURCHASE AGREEMENTS TO  
41 BE USED BY RETAIL ELECTRIC SUPPLIERS THAT ARE ELECTRIC DISTRIBUTION  
42 COMPANIES FOR THEIR PROCUREMENT OF SRECS FOR THE PURPOSE OF FULFILLING  
43 THEIR OBLIGATIONS ESTABLISHED IN SUBDIVISION TWO OF THIS SECTION. THE  
44 COMMISSION SHALL, IN ADDITION, ESTABLISH A TEMPLATE FOR A STANDARD SREC  
45 OFFER FOR THE FUTURE PURCHASE OF SRECS BY RETAIL ELECTRIC SUPPLIERS FROM  
46 QUALIFIED SOLAR ENERGY GENERATORS OR PERSONS WHO WILL BECOME QUALIFIED  
47 SOLAR ENERGY GENERATORS UPON THE COMPLETION OF A PROPOSED INSTALLATION  
48 OF A SOLAR ENERGY DEVICE.

49 (B) NO LATER THAN MARCH THIRTY-FIRST, TWO THOUSAND TWELVE, EACH RETAIL  
50 ELECTRIC SUPPLIER THAT IS AN ELECTRIC DISTRIBUTION COMPANY SHALL SUBMIT  
51 TO THE COMMISSION FOR REVIEW AND APPROVAL A SOLAR SOLICITATION PLAN FOR  
52 THE ACHIEVEMENT OF ITS OBLIGATIONS PERTAINING TO THE PROCUREMENT OF  
53 SRECS ASSOCIATED WITH QUALIFIED SOLAR ENERGY GENERATION ESTABLISHED IN  
54 SUBDIVISION TWO OF THIS SECTION. SUCH PLAN SHALL INCLUDE DISTINCT TIME-  
55 TABLES AND METHODOLOGIES FOR SOLICITING PROPOSALS FOR SRECS ASSOCIATED  
56 WITH THE CATEGORIES OF RESIDENTIAL, SMALL RETAIL, COMMERCIAL, AND OTHER

1 RETAIL DISTRIBUTED SOLAR ENERGY GENERATION, FOR THE PURPOSE OF FULFILL-  
2 ING ITS SOURCE DIVERSIFICATION REQUIREMENTS ESTABLISHED IN PARAGRAPH (B)  
3 OF SUBDIVISION TWO OF THIS SECTION. THE ELECTRIC DISTRIBUTION COMPANY'S  
4 SOLAR SOLICITATION PLAN SHALL BE DESIGNED TO FOSTER A DIVERSITY OF SOLAR  
5 PROJECT SIZES AND PARTICIPATION AMONG ALL ELIGIBLE CUSTOMER CLASSES. THE  
6 COMMISSION MAY APPROVE, REJECT OR MODIFY AN APPLICATION FOR APPROVAL OF  
7 SUCH PLAN. IF THE COMMISSION DOES NOT APPROVE, REJECT OR MODIFY THE  
8 DISTRIBUTION COMPANY'S APPLICATION WITHIN SIXTY DAYS, THE PROCUREMENT  
9 PLAN SHALL BE DEEMED APPROVED.

10 (C) EACH RETAIL ELECTRIC SUPPLIER THAT IS AN ELECTRIC DISTRIBUTION  
11 COMPANY SHALL PROVIDE TO EACH PERSON WITH WHOM SUCH SUPPLIER ESTABLISHES  
12 AN AGREEMENT FOR THE FUTURE PURCHASE AND SALE OF SRECS A STANDARD SREC  
13 OFFER FOR THE PURCHASE OF SUCH SRECS, WHICH SUBSTANTIALLY CONFORMS TO  
14 THE STANDARD SREC OFFER TEMPLATE ISSUED BY THE COMMISSION PURSUANT TO  
15 PARAGRAPH (A) OF THIS SUBDIVISION.

16 5. EACH RETAIL ELECTRIC SUPPLIER THAT IS AN ELECTRIC DISTRIBUTION  
17 COMPANY SHALL BE ENTITLED TO RECOVER THE PRUDENTLY INCURRED COSTS OF  
18 COMPLYING WITH ITS OBLIGATIONS ESTABLISHED IN SUBDIVISION TWO OF THIS  
19 SECTION, AS DETERMINED BY THE COMMISSION. ALL SUCH COSTS SHALL BE RECOV-  
20 ERED THROUGH THE SUPPLY PORTION OF EACH ELECTRIC CUSTOMER'S BILL IN A  
21 COMPETITIVELY NEUTRAL MANNER.

22 6. NO LATER THAN JULY FIRST, TWO THOUSAND TWELVE, THE COMMISSION SHALL  
23 ESTABLISH AN INCENTIVE PROGRAM FOR RETAIL ELECTRIC SUPPLIERS THAT ARE  
24 ELECTRIC DISTRIBUTION COMPANIES BASED ON SUCH COMPANIES' ACHIEVEMENT OF  
25 THEIR OBLIGATIONS, AND EXEMPLARY PERFORMANCE BEYOND SUCH OBLIGATIONS,  
26 ESTABLISHED IN SUBDIVISION TWO OF THIS SECTION (A) IN A COST-EFFECTIVE  
27 MANNER THAT ACHIEVES THE OBLIGATIONS AT LEAST COST AND AVOIDS LONG-TERM  
28 COSTS TO THE TRANSMISSION AND DISTRIBUTION SYSTEM; (B) PROVIDES ENHANCED  
29 ELECTRICITY RELIABILITY WITHIN COMPANIES' SERVICE TERRITORIES; AND (C)  
30 MINIMIZES PEAK LOAD IN CONSTRAINED AREAS.

31 7. NO LATER THAN MARCH THIRTY-FIRST, TWO THOUSAND TWELVE, THE COMMIS-  
32 SION SHALL ESTABLISH THE TERMS AND CONDITIONS THAT SHALL BE APPLICABLE  
33 TO SOLAR PURCHASE AGREEMENTS ENTERED INTO BY RETAIL ELECTRIC SUPPLIERS  
34 THAT ARE ELECTRIC DISTRIBUTION COMPANIES FOR THE PROCUREMENT OF SRECS  
35 ASSOCIATED WITH RESIDENTIAL AND SMALL RETAIL DISTRIBUTED SOLAR ENERGY  
36 GENERATION, FOR THE PURPOSE OF ACHIEVING SUCH COMPANIES' OBLIGATIONS  
37 PERTAINING TO SRECS ASSOCIATED WITH SUCH GENERATION ESTABLISHED IN  
38 SUBDIVISION TWO OF THIS SECTION.

39 8. RETAIL CONTRACTS FOR THE SALE OF ELECTRICITY ENTERED INTO BEFORE  
40 JANUARY FIRST, TWO THOUSAND THIRTEEN BY RETAIL ELECTRIC SUPPLIERS THAT  
41 ARE NOT ELECTRIC DISTRIBUTION COMPANIES SHALL BE EXEMPT FROM THE OBLI-  
42 GATIONS ESTABLISHED IN SUBDIVISION TWO OF THIS SECTION.

43 9. EACH RETAIL ELECTRIC SUPPLIER THAT IS AN ELECTRIC DISTRIBUTION  
44 COMPANY SHALL BE PERMITTED TO RESELL OR OTHERWISE DISPOSE OF SRECS AND  
45 ANY ASSOCIATED QUALIFIED SOLAR ENERGY GENERATION PROCURED BY SUCH COMPA-  
46 NY THAT IS IN EXCESS OF ITS OBLIGATIONS ESTABLISHED IN SUBDIVISION TWO  
47 OF THIS SECTION, PROVIDED THE COMPANY SHALL NET THE COST OF PAYMENTS  
48 MADE FOR SRECS UNDER SOLAR PURCHASE AGREEMENTS AGAINST THE PROCEEDS OF  
49 THE SALE OF SRECS, AND THE DIFFERENCE SHALL BE CREDITED OR CHARGED TO  
50 THE ELECTRIC DISTRIBUTION COMPANY'S CUSTOMERS THROUGH A RECONCILING  
51 COMPONENT OF ELECTRIC RATES, AS DETERMINED BY THE COMMISSION.

52 10. (A) WITHIN THIRTY DAYS OF THE SUBMISSION OF THE ANNUAL COMPLIANCE  
53 REPORTS FILED BY RETAIL ELECTRIC SUPPLIERS PURSUANT TO SUBDIVISION ELEV-  
54 EN OF THIS SECTION, THE COMMISSION SHALL DETERMINE THE COMBINED TOTAL  
55 ANNUAL EXPENDITURES INCLUDING THE SAVINGS IN AVOIDED COSTS, FOR THE  
56 PROCUREMENT OF SRECS MADE BY RETAIL ELECTRIC SUPPLIERS FOR THE PURPOSES



1 OF MEETING THE ANNUAL REQUIREMENT SET FORTH IN PARAGRAPH (A) OF SUBDIVI-  
2 SION TWO OF THIS SECTION FOR THE APPLICABLE COMPLIANCE YEAR AS A  
3 PERCENTAGE OF THE TOTAL RETAIL ELECTRICITY SALES REVENUES FOR RETAIL  
4 ELECTRIC SUPPLIERS FOR SUCH COMPLIANCE YEAR. IF SUCH PERCENTAGE EXCEEDS  
5 ONE PERCENT, THEN THE ANNUAL REQUIREMENT FOR THE COMPLIANCE YEAR FOR  
6 WHICH THE COMMISSION MAKES ITS DETERMINATION SHALL CONTINUE TO BE THE  
7 ANNUAL REQUIREMENT APPLICABLE IN EACH SUBSEQUENT COMPLIANCE YEAR UNTIL  
8 THIS LIMITATION ENDS AS PROVIDED IN PARAGRAPH (B) OF THIS SUBDIVISION.

9 (B) IF THE LIMITATION PROVIDED FOR IN PARAGRAPH (A) OF THIS SUBDIVI-  
10 SION IS TRIGGERED, IT SHALL END UPON A DETERMINATION BY THE COMMISSION,  
11 BASED UPON A REVIEW OF THE RETAIL ELECTRIC SUPPLIERS' ANNUAL COMPLIANCE  
12 REPORTS, THAT THE COMBINED TOTAL ANNUAL EXPENDITURES FOR THE PROCUREMENT  
13 OF SRECS MADE BY RETAIL ELECTRIC SUPPLIERS TO MEET THE APPLICABLE ANNUAL  
14 REQUIREMENTS FOR A COMPLIANCE YEAR DID NOT EXCEED ONE PERCENT OF THE  
15 TOTAL RETAIL ELECTRICITY SALES REVENUES FOR RETAIL ELECTRIC SUPPLIERS  
16 FOR SUCH COMPLIANCE YEAR. FOR THE COMPLIANCE YEAR IMMEDIATELY FOLLOWING  
17 THE END OF THE LIMITATION PURSUANT TO THIS PARAGRAPH, THE APPLICABLE  
18 ANNUAL REQUIREMENT SHALL BE THE REQUIREMENT SET FORTH IN PARAGRAPH (A)  
19 OF SUBDIVISION TWO OF THIS SECTION FOR THE COMPLIANCE YEAR IMMEDIATELY  
20 FOLLOWING THE COMPLIANCE YEAR FOR WHICH THE LIMITATION IN PARAGRAPH (A)  
21 OF THIS SUBDIVISION WAS TRIGGERED. THE ANNUAL REQUIREMENT SHALL CONTINUE  
22 TO INCREASE IN THE INCREMENTS PROVIDED FOR IN PARAGRAPH (A) OF SUBDIVI-  
23 SION TWO OF THIS SECTION FOR EACH SUBSEQUENT YEAR UNTIL THE ANNUAL  
24 REQUIREMENT REACHES THE PERCENTAGE SET FORTH IN SUCH PARAGRAPH FOR  
25 COMPLIANCE YEAR TWO THOUSAND TWENTY-FIVE.

26 (C) SOLAR ALTERNATIVE COMPLIANCE PAYMENTS MADE BY RETAIL ELECTRIC  
27 SUPPLIERS PURSUANT TO SUBDIVISION THREE OF THIS SECTION SHALL NOT COUNT  
28 TOWARDS THE ANNUAL EXPENDITURE LIMITATIONS SET FORTH IN PARAGRAPH (A) OF  
29 THIS SUBDIVISION.

30 11. (A) NO LATER THAN JULY FIRST, TWO THOUSAND THIRTEEN, AND NO LATER  
31 THAN JULY FIRST OF EACH YEAR THEREAFTER THROUGH THE YEAR TWO THOUSAND  
32 TWENTY-SIX THE COMMISSION SHALL REPORT TO THE GOVERNOR, SPEAKER OF THE  
33 ASSEMBLY, TEMPORARY PRESIDENT OF THE SENATE, AND CHAIRS OF THE SENATE  
34 AND ASSEMBLY ENERGY COMMITTEES, AND SHALL POST ON ITS WEBSITE, A REPORT  
35 REGARDING THE PROGRESS OF EACH RETAIL ELECTRIC SUPPLIER IN MEETING ITS  
36 OBLIGATIONS ESTABLISHED IN SUBDIVISION TWO OF THIS SECTION.

37 (B) EACH RETAIL ELECTRIC SUPPLIER SHALL PROVIDE TO THE COMMISSION THE  
38 INFORMATION NECESSARY TO FULFILL THE COMMISSION'S OBLIGATIONS PURSUANT  
39 TO THIS SUBDIVISION, IN ACCORDANCE WITH AN ANNUAL REPORTING OBLIGATION  
40 AND PROCESS TO BE ESTABLISHED BY THE COMMISSION.

41 (C) EACH REPORT THAT SHALL BE SUBMITTED PURSUANT TO THIS SUBDIVISION  
42 SHALL INCLUDE, BUT NOT BE LIMITED TO, FOR EACH RETAIL ELECTRIC SUPPLIER  
43 FOR THE PREVIOUS CALENDAR YEAR AND FOR THE TOTAL OF ALL CALENDAR YEARS  
44 TO DATE: (I) THE ACTUAL NUMBER OF MEGAWATT-HOURS OF QUALIFIED SOLAR  
45 ENERGY GENERATION SOLD AT RETAIL TO NEW YORK END-USE CUSTOMERS AND THE  
46 TOTAL NUMBER OF MEGAWATT-HOURS SOLD AT RETAIL TO NEW YORK END-USE  
47 CUSTOMERS; (II) THE NUMBER OF SRECS ASSOCIATED WITH QUALIFIED SOLAR  
48 ENERGY GENERATION THAT WERE RETIRED FOR THE PURPOSES OF MEETING THE  
49 SUPPLIER'S OBLIGATIONS ESTABLISHED IN SUBDIVISION TWO OF THIS SECTION;  
50 (III) THE AMOUNT, IF ANY, OF SOLAR ALTERNATIVE COMPLIANCE PAYMENTS MADE;  
51 AND (IV) ITS ANNUAL RETAIL ELECTRICITY SALES REVENUE AND EXPENDITURES  
52 FOR THE PROCUREMENT OF SRECS MADE FOR THE PURPOSES OF MEETING THE APPLI-  
53 CABLE ANNUAL REQUIREMENT, PROVIDED THAT SUCH INFORMATION NEED ONLY BE  
54 REPORTED FOR THE PREVIOUS CALENDAR YEAR. SUCH REPORT SHALL ALSO INCLUDE,  
55 FOR EACH RETAIL ELECTRIC SUPPLIER THAT IS AN ELECTRIC DISTRIBUTION  
56 COMPANY: (1) THE NUMBER OF SRECS EACH ASSOCIATED WITH RESIDENTIAL, SMALL

1 RETAIL, AND COMMERCIAL DISTRIBUTED SOLAR ENERGY GENERATION, AND RETAIL  
2 DISTRIBUTED SOLAR ENERGY GENERATION PRODUCED BY EQUIPMENT OF ANY CAPACI-  
3 TY THAT WERE PROCURED; AND (2) THE NUMBER OF SUCH SRECS PROCURED THROUGH  
4 SOLAR PURCHASE AGREEMENTS AND THE ELECTRIC DISTRIBUTION COMPANY'S OWNER-  
5 SHIP OF QUALIFIED SOLAR ENERGY GENERATION EQUIPMENT, RESPECTIVELY.

6 12. THE COMMISSION SHALL, NO LATER THAN JANUARY FIRST, TWO THOUSAND  
7 TWELVE, ESTABLISH AN ADMINISTRATIVE PROCESS TO FACILITATE CERTIFICATION  
8 BY THE INSTALLER OF A SOLAR ENERGY DEVICE TO THE OWNER OF SUCH DEVICE,  
9 FOR PURPOSES OF ESTABLISHING COMPLIANCE WITH QUALIFIED CONDITIONS,  
10 DENOMINATING AN ENHANCED SREC, OR ESTABLISHING ELIGIBILITY OF SPECIFIED  
11 SRECS TO SATISFY REQUIREMENTS RELATED TO AMERICAN-MADE CONTENT, PURSUANT  
12 TO THIS SECTION, SECTION ONE THOUSAND FIVE OF THE PUBLIC AUTHORITIES  
13 LAW, OR SECTION ONE THOUSAND TWENTY-HH OF THE PUBLIC AUTHORITIES LAW,  
14 THAT THE DEVICE CONSISTS OF AMERICAN-MADE CONTENT OR NEW YORK STATE  
15 CONTENT, THAT THE DEVICE WAS INSTALLED BY QUALIFIED INSTALLERS, AND THAT  
16 THE PAYMENT OF WAGES AND SUPPLEMENTS FOR THE INSTALLATION OF SUCH DEVICE  
17 WAS IN ACCORDANCE WITH THE PREVAILING WAGES AND SUPPLEMENTS THAT WOULD  
18 BE APPLICABLE TO A CONTRACT FOR PUBLIC WORK, PURSUANT TO SECTION TWO  
19 HUNDRED TWENTY OF THE LABOR LAW, IN THE LOCATION IN WHICH SUCH SOLAR  
20 ENERGY DEVICE IS LOCATED AT THE TIME OF SUCH INSTALLATION. SUCH ADMINIS-  
21 TRATIVE PROCESS SHALL INCLUDE ESTABLISHING AND MAINTAINING A DATABASE  
22 AND REGISTRY OF SOLAR ENERGY DEVICES AND COMPONENTS THAT CONFORM TO  
23 AMERICAN-MADE CONTENT AND NEW YORK STATE CONTENT SPECIFICATIONS, AS  
24 PROVIDED IN SUBDIVISION ONE OF THIS SECTION.

25 S 4. Section 1005 of the public authorities law is amended by adding a  
26 new subdivision 19 to read as follows:

27 19. A. FOR THE PURPOSES OF THIS SUBDIVISION, THE FOLLOWING TERMS SHALL  
28 HAVE THE FOLLOWING MEANINGS:

29 (1) "SOLAR ENERGY DEVICE" MEANS A SYSTEM OF COMPONENTS THAT GENERATES  
30 ELECTRICITY FROM INCIDENTAL SUNLIGHT BY MEANS OF THE PHOTOVOLTAIC EFFECT  
31 AND IS INTERCONNECTED TO THE ELECTRICAL DISTRIBUTION SYSTEM;

32 (2) "QUALIFIED SOLAR ENERGY GENERATION" MEANS ELECTRIC POWER GENERATED  
33 BY A SOLAR ENERGY DEVICE THAT IS PLACED IN SERVICE WITHIN THE JURISDIC-  
34 TIONAL BOUNDARIES OF THE STATE ON OR AFTER JANUARY FIRST, TWO THOUSAND  
35 TWELVE AND THAT IS INSTALLED IN ACCORDANCE WITH QUALIFIED CONDITIONS;  
36 PROVIDED, HOWEVER, THAT NOTWITHSTANDING ANY PROVISION OF PARAGRAPH ONE  
37 OF THIS SUBDIVISION TO THE CONTRARY, ELECTRIC POWER GENERATED BY A SOLAR  
38 ENERGY DEVICE LOCATED WITHIN THE JURISDICTIONAL BOUNDARIES OF THIS  
39 STATE, THE INSTALLATION OF WHICH WAS COMMENCED ON OR AFTER JULY FIRST  
40 TWO THOUSAND ELEVEN AND AT LEAST FIVE PERCENT OF THE TOTAL PROJECT COST  
41 OF WHICH WAS EXPENDED NO LATER THAN DECEMBER THIRTY-FIRST, TWO THOUSAND  
42 ELEVEN SHALL BE DEEMED "QUALIFIED SOLAR ENERGY GENERATION" AND SRECS  
43 ASSOCIATED WITH SUCH A DEVICE MAY BE PURCHASED BY A RETAIL ELECTRIC  
44 SUPPLIER TO MEET SUCH SUPPLIER'S ANNUAL OBLIGATIONS UNDER THIS SUBDIVI-  
45 SION; AND FURTHER NOTWITHSTANDING ANY PROVISION OF PARAGRAPH ONE OF THIS  
46 SUBDIVISION TO THE CONTRARY, ELECTRIC POWER GENERATED BY A SOLAR ENERGY  
47 DEVICE THAT WAS PLACED IN SERVICE WITHIN THE JURISDICTIONAL BOUNDARIES  
48 OF THIS STATE PRIOR TO JULY FIRST, TWO THOUSAND TWELVE SHALL UNTIL JUNE  
49 THIRTIETH, TWO THOUSAND FIFTEEN BE DEEMED "QUALIFIED SOLAR ENERGY GENER-  
50 ATION" AND SRECS ASSOCIATED WITH SUCH A DEVICE MAY BE PURCHASED BY THE  
51 AUTHORITY TO MEET ITS ANNUAL OBLIGATIONS UNDER THIS SUBDIVISION UNTIL  
52 JUNE THIRTIETH, TWO THOUSAND FIFTEEN;

53 (3) "QUALIFIED SOLAR ENERGY GENERATOR" MEANS THE OWNER OF A SOLAR  
54 ENERGY DEVICE OR DEVICES THAT PRODUCES QUALIFIED SOLAR ENERGY GENER-  
55 ATION;

1 (4) "RETAIL DISTRIBUTED SOLAR ENERGY GENERATION" MEANS QUALIFIED SOLAR  
2 ENERGY GENERATION PRODUCED BY A SOLAR ENERGY DEVICE LOCATED ON THE  
3 CUSTOMER SIDE OF THE ELECTRIC DISTRIBUTION COMPANY METER;

4 (5) "RESIDENTIAL DISTRIBUTED SOLAR ENERGY GENERATION" MEANS RETAIL  
5 DISTRIBUTED SOLAR ENERGY GENERATION PRODUCED BY A SOLAR ENERGY DEVICE  
6 THAT IS EQUAL TO OR LESS THAN TEN KILOWATTS IN CAPACITY;

7 (6) "SMALL RETAIL DISTRIBUTED SOLAR ENERGY GENERATION" MEANS RETAIL  
8 DISTRIBUTED SOLAR ENERGY GENERATION PRODUCED BY A SOLAR ENERGY DEVICE  
9 THAT IS GREATER THAN TEN KILOWATTS AND EQUAL TO OR LESS THAN FIFTY KILO-  
10 WATTS IN CAPACITY;

11 (7) "COMMERCIAL DISTRIBUTED SOLAR ENERGY GENERATION" MEANS RETAIL  
12 DISTRIBUTED SOLAR ENERGY GENERATION PRODUCED BY A SOLAR ENERGY DEVICE  
13 THAT IS 50 KILOWATTS OR GREATER AND LESS THAN OR EQUAL TO FIVE HUNDRED  
14 KILOWATTS IN CAPACITY;

15 (8) "QUALIFIED CONDITIONS" MEANS USING QUALIFIED INSTALLERS AND, FOR  
16 ANY SOLAR ENERGY DEVICE EXCEEDING SEVENTY-FIVE KILOWATTS IN CAPACITY,  
17 PAYMENT TO SUCH QUALIFIED INSTALLERS OF WAGES AND SUPPLEMENTS FOR THE  
18 INSTALLATION OF SUCH SOLAR ENERGY DEVICE IN ACCORDANCE WITH THE PREVAIL-  
19 ING WAGES AND SUPPLEMENTS THAT WOULD BE APPLICABLE TO A CONTRACT FOR  
20 PUBLIC WORK, PURSUANT TO SECTION TWO HUNDRED TWENTY OF THE LABOR LAW, IN  
21 THE LOCATION IN WHICH SUCH SOLAR ENERGY DEVICE IS LOCATED AT THE TIME OF  
22 SUCH INSTALLATION.

23 (9)(I) "QUALIFIED INSTALLER MEANS: A PERSON WHO (A) WITH RESPECT TO  
24 THE INSTALLATION OF A SOLAR ELECTRIC DEVICE, HOLDS A LICENSE AS A MASTER  
25 ELECTRICIAN, OR IS DESIGNATED AN APPROVED INSTALLER BY THE NEW YORK  
26 STATE ENERGY RESEARCH AND DEVELOPMENT AUTHORITY, OR HAS COMPLETED A  
27 REGISTERED APPRENTICESHIP TRAINING PROGRAM FOR ELECTRICIANS PURSUANT TO  
28 SECTION EIGHT HUNDRED ELEVEN OF THE LABOR LAW; AND

29 (B) HAS BEEN CERTIFIED PRIOR TO PERFORMING ANY WORK ON THE PROJECT AS  
30 HAVING SUCCESSFULLY COMPLETED A COURSE IN CONSTRUCTION SAFETY AND HEALTH  
31 APPROVED BY THE UNITED STATES DEPARTMENT OF LABOR'S OCCUPATIONAL SAFETY  
32 AND HEALTH ADMINISTRATION THAT IS AT LEAST TEN HOURS IN DURATION; AND

33 (C) WITH RESPECT TO ANY SOLAR INSTALLATION COMMENCED AFTER DECEMBER  
34 THIRTY-FIRST, TWO THOUSAND ELEVEN, HAS SUBMITTED TO THE CUSTOMER PROOF  
35 OF COMPLIANCE WITH THE AFOREMENTIONED REQUIREMENTS OF THIS PARAGRAPH.

36 (II) THE EMPLOYER OF A QUALIFIED INSTALLER SHALL ALSO BE DEEMED A  
37 QUALIFIED INSTALLER, PROVIDED THAT SUCH EMPLOYER MAINTAINS WORKERS  
38 COMPENSATION INSURANCE AND COMMERCIAL LIABILITY INSURANCE IN THE AMOUNTS  
39 REQUIRED BY LAW AND PROVIDED FURTHER THAT THE EMPLOYEES OF SUCH EMPLOYER  
40 INVOLVED IN SOLAR INSTALLATIONS HAVE SUCCESSFULLY COMPLETED A COURSE IN  
41 CONSTRUCTION SAFETY AND HEALTH APPROVED BY THE UNITED STATES DEPARTMENT  
42 OF LABOR'S OCCUPATIONAL SAFETY AND HEALTH ADMINISTRATION THAT IS AT  
43 LEAST TEN HOURS IN DURATION.

44 (10) "SOLAR PURCHASE AGREEMENT" MEANS AN AGREEMENT, FOR A MINIMUM OF  
45 SEVEN YEARS, FOR THE PURCHASE OF SRECS FROM A QUALIFIED SOLAR ENERGY  
46 GENERATOR;

47 (11) "STANDARD SREC OFFER" MEANS AN AGREEMENT BY THE AUTHORITY,  
48 ENTERED INTO WITH A RETAIL DISTRIBUTED SOLAR ENERGY GENERATOR IN ADVANCE  
49 OF THE INSTALLATION OF A SOLAR ENERGY DEVICE BY SUCH GENERATOR, TO  
50 PURCHASE FROM SUCH RETAIL DISTRIBUTED SOLAR ENERGY GENERATOR, FOR A  
51 MINIMUM OF SEVEN YEARS, UPON SUCCESSFUL COMPLETION OF THE INSTALLATION  
52 OF THE SOLAR ENERGY DEVICE AND, IN THE CASE OF A SOLAR ELECTRIC DEVICE,  
53 UPON INTERCONNECTION TO THE RETAIL DISTRIBUTION SYSTEM, THE SRECS THAT  
54 WILL BE GENERATED BY SUCH SOLAR ENERGY DEVICE;

1 (12) "SOLAR RENEWABLE ENERGY CREDIT" OR "SREC" MEANS THE ENVIRONMENTAL  
 2 ATTRIBUTES ASSOCIATED WITH ONE MEGAWATT-HOUR OF QUALIFIED SOLAR ENERGY  
 3 GENERATION;

4 (13) "ENHANCED SREC" MEANS A SREC (I) ASSOCIATED WITH RESIDENTIAL OR  
 5 SMALL RETAIL DISTRIBUTED SOLAR ENERGY GENERATION PRODUCED BY A SOLAR  
 6 ENERGY DEVICE THAT CONSISTS OF NEW YORK STATE CONTENT; OR (II) ASSOCI-  
 7 ATED WITH RESIDENTIAL DISTRIBUTED SOLAR ENERGY GENERATION PRODUCED BY A  
 8 SOLAR ENERGY DEVICE THAT WAS INSTALLED USING QUALIFIED INSTALLERS TO  
 9 WHOM PAYMENT OF WAGES AND SUPPLEMENTS FOR THE INSTALLATION OF SUCH SOLAR  
 10 ENERGY DEVICE WAS IN ACCORDANCE WITH THE PREVAILING WAGES AND SUPPLE-  
 11 MENTS THAT WOULD BE APPLICABLE TO A CONTRACT FOR PUBLIC WORK, PURSUANT  
 12 TO SECTION TWO HUNDRED TWENTY OF THE LABOR LAW, IN THE LOCATION IN WHICH  
 13 SUCH SOLAR ENERGY DEVICE IS LOCATED AT THE TIME OF SUCH INSTALLATION.  
 14 FOR EACH SUCH ENHANCING ASPECT, AS PROVIDED FOR IN THIS PARAGRAPH, AN  
 15 ENHANCED SREC SHALL BE DEEMED TO HAVE THE ENVIRONMENTAL ATTRIBUTES OF AN  
 16 ADDITIONAL TWENTY-FIVE PERCENT OF ITS UNDERLYING MEGAWATT-HOURS;  
 17 PROVIDED, HOWEVER, THAT AN ENHANCED SREC SHALL NOT BE DEEMED TO POSSESS  
 18 ENVIRONMENTAL ATTRIBUTES EXCEEDING ONE HUNDRED AND FIFTY PERCENT OF THE  
 19 UNDERLYING SREC;

20 (14) "AMERICAN-MADE CONTENT" MEANS:

21 (A) A NON-MANUFACTURED GOOD THAT HAS BEEN MINED OR PRODUCED IN THE  
 22 UNITED STATES OR ANY PLACE SUBJECT TO THE JURISDICTION THEREOF; AND

23 (B) A MANUFACTURED GOOD IN WHICH (I) THE COMPONENT SUPPLIES OR MATERI-  
 24 ALS OF SUCH GOOD HAVE BEEN SUBSTANTIALLY TRANSFORMED BY A PROCESS OR  
 25 PROCESSES PERFORMED WITHIN THE UNITED STATES OR ANY PLACE SUBJECT TO THE  
 26 JURISDICTION THEREOF, OR (II) THE COST OF SUPPLIES THAT HAVE BEEN MINED  
 27 OR PRODUCED WITHIN THE UNITED STATES OR ANY PLACE SUBJECT TO THE JURIS-  
 28 DICTION THEREOF CONSTITUTES AT LEAST FIFTY PERCENT OF THE COST OF ALL  
 29 SUPPLIES USED IN THE MANUFACTURE;

30 (15) "NEW YORK STATE CONTENT" MEANS:

31 (A) A NON-MANUFACTURED GOOD THAT HAS BEEN MINED OR PRODUCED WITHIN THE  
 32 JURISDICTIONAL BOUNDARIES OF THE STATE OF NEW YORK; OR

33 (B) A MANUFACTURED GOOD IN WHICH (I) THE COMPONENT SUPPLIES OR MATERI-  
 34 ALS OF SUCH GOOD HAVE BEEN SUBSTANTIALLY TRANSFORMED BY A PROCESS OR  
 35 PROCESSES PERFORMED WITHIN THE JURISDICTIONAL BOUNDARIES OF THE STATE OF  
 36 NEW YORK, OR (II) THE COST OF SUPPLIES THAT HAVE BEEN MINED OR PRODUCED  
 37 WITHIN THE JURISDICTIONAL BOUNDARIES OF THE STATE OF NEW YORK CONSTI-  
 38 TUTES AT LEAST FIFTY PERCENT OF THE COST OF ALL SUPPLIES USED IN THE  
 39 MANUFACTURE;

40 (16) "KILOWATT," "MEGAWATT," "KILOWATT-HOUR," AND "MEGAWATT-HOUR"  
 41 SHALL INCLUDE THEIR ENERGY EQUIVALENTS STATED IN TERMS OF BRITISH THER-  
 42 MAL UNITS "BTU";

43 (17) "COMPLIANCE YEAR" MEANS THE PERIOD BEGINNING ON JULY FIRST AND  
 44 ENDING ON THE FOLLOWING JUNE THIRTIETH, AND SHALL BE IDENTIFIED ACCORD-  
 45 ING THE THE CALENDAR YEAR IN WHICH IT BEGINS; AND

46 (18) "SOLAR ALTERNATIVE COMPLIANCE PAYMENT" MEANS A PAYMENT OF A  
 47 CERTAIN DOLLAR AMOUNT PER MEGAWATT-HOUR, AS ESTABLISHED PURSUANT TO  
 48 PARAGRAPH (C) OF THIS SUBDIVISION THAT THE AUTHORITY MAY SUBMIT TO THE  
 49 NEW YORK INDEPENDENT SYSTEM OPERATOR "NYISO" IN ORDER TO COMPLY WITH ITS  
 50 ANNUAL OBLIGATIONS ESTABLISHED IN PARAGRAPH (B) OF THIS SUBDIVISION.

51 B. (1) THE AUTHORITY SHALL ANNUALLY PROCURE, AT MINIMUM, SRECS TO MEET  
 52 THE FOLLOWING PERCENTAGES OF THE AUTHORITY'S TOTAL ELECTRIC SALES IN  
 53 EACH COMPLIANCE YEAR:

54 COMPLIANCE	ANNUAL
55 YEAR	REQUIREMENT
56 2012	0.05%

1	2013	0.05%
2	2014	0.10%
3	2015	0.15%
4	2016	0.20%
5	2017	0.30%
6	2018	0.40%
7	2019	0.50%
8	2020	0.75%
9	2021	1.00%
10	2022	1.25%
11	2023	1.50%
12	2024	2.00%
13	2025	2.50%

14 (2) AT LEAST FORTY PERCENT OF THE ANNUAL OBLIGATION OF THE AUTHORITY,  
 15 AS ESTABLISHED IN THIS PARAGRAPH, SHALL BE MET THROUGH THE PROCUREMENT  
 16 OF SRECS ASSOCIATED WITH RETAIL DISTRIBUTED SOLAR ENERGY GENERATION, IN  
 17 ACCORDANCE WITH THE FOLLOWING REQUIREMENTS:

18 (I) AT LEAST TEN PERCENT OF THE ANNUAL OBLIGATION OF THE AUTHORITY  
 19 SHALL BE MET THROUGH THE PROCUREMENT OF SRECS ASSOCIATED WITH RESIDEN-  
 20 TIAL DISTRIBUTED SOLAR ENERGY GENERATION;

21 (II) AT LEAST TEN PERCENT OF SUCH ANNUAL OBLIGATIONS SHALL BE MET  
 22 THROUGH THE PROCUREMENT OF SRECS ASSOCIATED WITH SMALL RETAIL DISTRIB-  
 23 UTED SOLAR ENERGY GENERATION;

24 (III) AT LEAST TEN PERCENT OF SUCH ANNUAL OBLIGATION SHALL BE MET  
 25 THROUGH THE PROCUREMENT OF SRECS ASSOCIATED WITH COMMERCIAL DISTRIBUTED  
 26 SOLAR ENERGY GENERATION; AND

27 (IV) AT LEAST AN ADDITIONAL TEN PERCENT OF THE ANNUAL OBLIGATION OF  
 28 THE AUTHORITY SHALL BE MET THROUGH THE PROCUREMENT OF SRECS ASSOCIATED  
 29 WITH RETAIL DISTRIBUTED SOLAR ENERGY GENERATION PRODUCED BY EQUIPMENT OF  
 30 ANY SIZE.

31 (3) NOT MORE THAN SIXTY PERCENT OF THE ANNUAL OBLIGATION OF THE  
 32 AUTHORITY MAY BE MET BY THE PROCUREMENT OF SRECS ASSOCIATED WITH ENERGY  
 33 GENERATION PRODUCED BY SOLAR ENERGY DEVICES LOCATED OUTSIDE OF THE  
 34 AUTHORITY'S SERVICE TERRITORY.

35 (4) FOR COMPLIANCE YEAR TWO THOUSAND TWELVE, AT LEAST TEN PERCENT OF  
 36 THE ANNUAL OBLIGATION APPLICABLE TO EACH RETAIL ELECTRIC SUPPLIER THAT  
 37 IS AN ELECTRIC DISTRIBUTION COMPANY SHALL BE MET THROUGH THE PROCUREMENT  
 38 OF SRECS ASSOCIATED WITH SOLAR ENERGY DEVICES THAT CONSIST OF AMERICAN-  
 39 MADE CONTENT; FOR COMPLIANCE YEAR TWO THOUSAND THIRTEEN AT LEAST TWEN-  
 40 TY-FIVE PERCENT OF SUCH OBLIGATION SHALL BE SO MET; FOR COMPLIANCE YEAR  
 41 TWO THOUSAND FOURTEEN AT LEAST FORTY PERCENT OF SUCH OBLIGATION SHALL BE  
 42 SO MET; FOR COMPLIANCE YEAR TWO THOUSAND FIFTEEN AT LEAST SIXTY PERCENT  
 43 OF SUCH OBLIGATION SHALL BE SO MET; AND FOR EACH COMPLIANCE YEAR THERE-  
 44 AFTER AT LEAST EIGHTY PERCENT OF SUCH OBLIGATION SHALL BE MET THROUGH  
 45 THE PROCUREMENT OF SRECS ASSOCIATED WITH SOLAR ENERGY DEVICES THAT  
 46 CONSIST OF AMERICAN-MADE CONTENT.

47 (5) TRANSACTIONS FOR THE PROCUREMENT OF SRECS BY RETAIL ELECTRIC  
 48 SUPPLIERS FROM QUALIFIED SOLAR ENERGY GENERATORS SHALL BE FOR SRECS IN  
 49 WHOLE UNITS.

50 (6) SRECS SHALL BE ELIGIBLE FOR USE IN MEETING THE OBLIGATIONS ESTAB-  
 51 LISHED IN THIS SUBDIVISION IN THE COMPLIANCE YEAR IN WHICH THEY ARE  
 52 CREATED AND FOR THE FOLLOWING TWO COMPLIANCE YEARS.

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

1 (8) THE AUTHORITY MAY MEET ITS OBLIGATIONS ESTABLISHED IN THIS PARA-  
2 GRAPH THROUGH THE PROCUREMENT OF SRECS TOGETHER WITH OR SEPARATE FROM  
3 THE ASSOCIATED QUALIFIED SOLAR ENERGY GENERATION.

4 C. (1) IN THE EVENT THAT THE AUTHORITY FAILS TO MEET ITS OBLIGATIONS  
5 ESTABLISHED IN PARAGRAPH (B) OF THIS SUBDIVISION, IT SHALL DISCHARGE  
6 SUCH OBLIGATIONS BY MAKING A SOLAR ALTERNATIVE COMPLIANCE PAYMENT IN AN  
7 AMOUNT ESTABLISHED PURSUANT TO THIS PARAGRAPH.

8 (2) FOR COMPLIANCE YEAR TWO THOUSAND TWELVE THE ANNUAL SOLAR COMPLI-  
9 ANCE PAYMENT SHALL BE SIX HUNDRED DOLLARS PER MEGAWATT. THE NEW YORK  
10 INDEPENDENT SYSTEM OPERATOR "NYISO" SHALL ESTABLISH NO LATER THAN FEBRU-  
11 ARY FIRST, TWO THOUSAND THIRTEEN A SOLAR ALTERNATIVE COMPLIANCE PAYMENT  
12 SCHEDULE THROUGH THE YEAR TWO THOUSAND TWENTY-FIVE AT LEVELS THAT ARE  
13 DETERMINED TO BE SUFFICIENT TO STIMULATE THE DEVELOPMENT OF NEW QUALI-  
14 FIED SOLAR ENERGY GENERATION EQUIPMENT NECESSARY TO ACHIEVE THE OBLI-  
15 GATIONS ESTABLISHED IN PARAGRAPH (B) OF THIS SUBDIVISION. NO LATER THAN  
16 FEBRUARY FIRST OF EACH YEAR THEREAFTER, NYISO SHALL ANNUALLY REVIEW SUCH  
17 SCHEDULE TO ENSURE THAT THE PAYMENTS ARE SET AT A LEVEL SUFFICIENT TO  
18 STIMULATE SUCH DEVELOPMENT AND MAY ADOPT, AFTER APPROPRIATE NOTICE AND  
19 OPPORTUNITY FOR PUBLIC COMMENT, AN INCREASE OR DECREASE IN ALTERNATIVE  
20 COMPLIANCE PAYMENTS CONSISTENT WITH THE FINDINGS OF SUCH REVIEW,  
21 PROVIDED THAT THE AMOUNT PER MEGAWATT OF ANY COMPLIANCE PAYMENT FOR A  
22 COMPLIANCE YEAR SHALL BE NOT LESS THAN NINETY PERCENT OF THE AMOUNT PER  
23 MEGAWATT OF COMPLIANCE PAYMENTS FOR THE PREVIOUS COMPLIANCE YEAR, AND  
24 PROVIDED FURTHER THAT NYISO SHALL NOT REDUCE LEVELS OF PAYMENTS FOR  
25 PREVIOUS YEARS, NOR SHALL NYISO PROVIDE RELIEF IN ANY FORM FROM THE  
26 OBLIGATION OF PAYMENT OF THE SOLAR ALTERNATIVE COMPLIANCE PAYMENTS BY  
27 THE AUTHORITY.

28 (3) FIFTY PERCENT OF ALL MONIES COLLECTED THROUGH SUCH ALTERNATIVE  
29 COMPLIANCE PAYMENTS SHALL BE MADE AVAILABLE BY NYISO FOR SOLAR INITI-  
30 ATIVES TO BE UNDERTAKEN BY MUNICIPALITIES IN THE STATE, AND FIFTY  
31 PERCENT OF SUCH MONIES SHALL BE DISTRIBUTED TO THE EMPIRE STATE DEVELOP-  
32 MENT CORPORATION FOR SOLAR INDUSTRY DEVELOPMENT PROGRAMS IN COUNTIES  
33 OUTSIDE OF THE CITY OF NEW YORK.

34 D. NO LATER THAN MARCH THIRTY-FIRST, TWO THOUSAND TWELVE, THE AUTHORI-  
35 TY SHALL SUBMIT TO THE GOVERNOR, SPEAKER OF THE ASSEMBLY, TEMPORARY  
36 PRESIDENT OF THE SENATE, AND CHAIRS OF THE SENATE AND ASSEMBLY ENERGY  
37 COMMITTEES, AND SHALL POST ON ITS WEBSITE, A SOLAR SOLICITATION PLAN FOR  
38 THE ACHIEVEMENT OF ITS OBLIGATIONS PERTAINING TO THE PROCUREMENT OF  
39 SRECS ASSOCIATED WITH QUALIFIED SOLAR ENERGY GENERATION ESTABLISHED IN  
40 PARAGRAPH (B) OF THIS SUBDIVISION. SUCH PLAN SHALL INCLUDE DISTINCT  
41 TIMETABLES AND METHODOLOGIES FOR SOLICITING PROPOSALS FOR SRECS ASSOCI-  
42 ATED WITH THE CATEGORIES OF RESIDENTIAL, SMALL RETAIL, COMMERCIAL, AND  
43 OTHER RETAIL DISTRIBUTED SOLAR ENERGY GENERATION, FOR THE PURPOSE OF  
44 FULFILLING ITS SOURCE DIVERSIFICATION REQUIREMENTS ESTABLISHED IN  
45 SUBPARAGRAPH TWO OF PARAGRAPH (B) OF THIS SUBDIVISION. THE AUTHORITY'S  
46 SOLAR SOLICITATION PLAN SHALL BE DESIGNED TO FOSTER A DIVERSITY OF SOLAR  
47 PROJECT SIZES AND PARTICIPATION AMONG ALL ELIGIBLE CUSTOMER CLASSES.

48 E. (1) IF THE AUTHORITY DETERMINES THAT ITS ANNUAL EXPENDITURES,  
49 INCLUDING SAVINGS IN AVOIDED COSTS, FOR THE PROCUREMENT OF SRECS, MADE  
50 FOR THE PURPOSES OF MEETING THE ANNUAL REQUIREMENT SET FORTH IN SUBPARA-  
51 GRAPH ONE OF PARAGRAPH (B) OF THIS SUBDIVISION FOR A COMPLIANCE YEAR,  
52 EXCEED ONE PERCENT OF ITS ANNUAL RETAIL ELECTRICITY REVENUES FOR SUCH  
53 COMPLIANCE YEAR, THEN THE ANNUAL REQUIREMENT FOR THE COMPLIANCE YEAR FOR  
54 WHICH THE AUTHORITY MAKES ITS DETERMINATION SHALL CONTINUE TO BE THE  
55 ANNUAL REQUIREMENT APPLICABLE IN EACH SUBSEQUENT COMPLIANCE YEAR UNTIL  
56 THIS LIMITATION ENDS AS PROVIDED IN SUBPARAGRAPH TWO OF THIS PARAGRAPH.

1 (2) IF THE LIMITATION PROVIDED FOR IN SUBPARAGRAPH ONE OF THIS PARA-  
2 GRAPH IS TRIGGERED, IT SHALL END UPON A DETERMINATION BY THE AUTHORITY  
3 THAT ITS ANNUAL EXPENDITURE FOR THE PROCUREMENT OF SRECS MADE FOR THE  
4 PURPOSES OF MEETING ITS ANNUAL REQUIREMENT FOR A COMPLIANCE YEAR DID NOT  
5 EXCEED ONE PERCENT OF ITS ANNUAL RETAIL ELECTRICITY REVENUES FOR SUCH  
6 COMPLIANCE YEAR. FOR THE COMPLIANCE YEAR IMMEDIATELY FOLLOWING THE END  
7 OF THE LIMITATION PURSUANT TO THIS PARAGRAPH, THE APPLICABLE ANNUAL  
8 REQUIREMENT SHALL BE THE REQUIREMENT SET FORTH IN SUBPARAGRAPH ONE OF  
9 PARAGRAPH (B) OF THIS SUBDIVISION FOR THE COMPLIANCE YEAR IMMEDIATELY  
10 FOLLOWING THE COMPLIANCE YEAR FOR WHICH THE LIMITATION IN SUBPARAGRAPH  
11 ONE OF THIS PARAGRAPH WAS TRIGGERED. THE ANNUAL REQUIREMENT SHALL  
12 CONTINUE TO INCREASE IN THE INCREMENTS PROVIDED FOR IN SUBPARAGRAPH ONE  
13 OF PARAGRAPH (B) OF THIS SUBDIVISION FOR EACH SUBSEQUENT YEAR UNTIL THE  
14 ANNUAL REQUIREMENT REACHES THE PERCENTAGE SET FORTH IN SUCH SUBPARAGRAPH  
15 FOR COMPLIANCE YEAR TWO THOUSAND TWENTY-FIVE.

16 F. (1) NO LATER THAN JULY FIRST, TWO THOUSAND THIRTEEN, AND NO LATER  
17 THAN JULY FIRST OF EACH YEAR THEREAFTER THROUGH THE YEAR TWO THOUSAND  
18 TWENTY-SIX, THE AUTHORITY SHALL REPORT TO THE GOVERNOR, SPEAKER OF THE  
19 ASSEMBLY, MAJORITY LEADER OF THE SENATE, AND CHAIRS OF THE SENATE AND  
20 ASSEMBLY ENERGY COMMITTEES, AND SHALL POST ON ITS WEBSITE, A REPORT  
21 REGARDING ITS PROGRESS IN MEETING ITS OBLIGATIONS ESTABLISHED IN PARA-  
22 GRAPH B OF THIS SUBDIVISION.

23 (2) EACH REPORT THAT SHALL BE SUBMITTED PURSUANT TO THIS PARAGRAPH  
24 SHALL INCLUDE, BUT NOT BE LIMITED TO, FOR THE PREVIOUS CALENDAR YEAR AND  
25 FOR THE TOTAL OF ALL CALENDAR YEARS TO DATE: (I) THE NUMBER OF SRECS  
26 ASSOCIATED WITH QUALIFIED SOLAR ENERGY GENERATION RETIRED FOR THE  
27 PURPOSES OF MEETING THE AUTHORITY'S OBLIGATIONS ESTABLISHED IN PARAGRAPH  
28 B OF THIS SUBDIVISION; (II) THE NUMBER OF SUCH SRECS EACH ASSOCIATED  
29 WITH RESIDENTIAL, SMALL RETAIL, AND COMMERCIAL DISTRIBUTED SOLAR ENERGY  
30 GENERATION, AND RETAIL DISTRIBUTED SOLAR ENERGY GENERATION PRODUCED BY  
31 EQUIPMENT OF ANY CAPACITY THAT WERE PROCURED; AND (III) THE NUMBER OF  
32 SUCH SRECS PROCURED THROUGH SOLAR PURCHASE AGREEMENTS AND THE AUTHORI-  
33 TY'S OWNERSHIP OF QUALIFIED SOLAR ENERGY GENERATION EQUIPMENT, RESPEC-  
34 TIVELY.

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

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

41 (A) "BUILDING INTEGRATED SOLAR ENERGY EQUIPMENT" MEANS A SOLAR ENERGY  
42 DEVICE THAT DIRECTLY FUNCTIONS AS A PART OF THE ENVELOPE OF A BUILDING  
43 INCLUDING INTEGRATED ROOF COVER, FACADE OR BUILDING CLADDING, GLAZED  
44 SURFACES, SOLAR SHADING DEVICES, CANOPIES, AND SKYLIGHTS;

45 (B) "SOLAR ENERGY DEVICE" MEANS A SYSTEM OF COMPONENTS THAT GENERATES  
46 ELECTRICITY FROM INCIDENTAL SUNLIGHT BY MEANS OF THE PHOTOVOLTAIC EFFECT  
47 AND IS INTERCONNECTED TO THE ELECTRICAL DISTRIBUTION SYSTEM;

48 (C) "QUALIFIED SOLAR ENERGY GENERATION" MEANS ELECTRIC POWER GENERATED  
49 BY A SOLAR ENERGY DEVICE THAT IS PLACED IN SERVICE WITHIN THE JURISDIC-  
50 TIONAL BOUNDARIES OF THE STATE ON OR AFTER JANUARY FIRST, TWO THOUSAND  
51 TWELVE AND THAT IS INSTALLED IN ACCORDANCE WITH QUALIFIED CONDITIONS;

52 (D) "QUALIFIED SOLAR ENERGY GENERATOR" MEANS THE OWNER OF A SOLAR  
53 ENERGY DEVICE OR DEVICES THAT PRODUCES QUALIFIED SOLAR ENERGY GENER-  
54 ATION;

1 (E) "RETAIL DISTRIBUTED SOLAR ENERGY GENERATION" MEANS QUALIFIED SOLAR  
2 ENERGY GENERATION PRODUCED BY A SOLAR ENERGY DEVICE LOCATED ON THE  
3 CUSTOMER SIDE OF THE ELECTRIC DISTRIBUTION COMPANY METER;

4 (F) "RESIDENTIAL DISTRIBUTED SOLAR ENERGY GENERATION" MEANS RETAIL  
5 DISTRIBUTED SOLAR ENERGY GENERATION PRODUCED BY A SOLAR ENERGY DEVICE  
6 THAT IS EQUAL TO OR LESS THAN TEN KILOWATTS IN CAPACITY;

7 (G) "SMALL RETAIL DISTRIBUTED SOLAR ENERGY GENERATION" MEANS RETAIL  
8 DISTRIBUTED SOLAR ENERGY GENERATION PRODUCED BY A SOLAR ENERGY DEVICE  
9 THAT IS GREATER THAN TEN KILOWATTS AND EQUAL TO OR LESS THAN FIFTY KILO-  
10 WATTS IN CAPACITY;

11 (H) "COMMERCIAL DISTRIBUTED SOLAR ENERGY GENERATION" MEANS RETAIL  
12 DISTRIBUTED SOLAR ENERGY GENERATION PRODUCED BY A SOLAR ENERGY DEVICE  
13 THAT IS FIFTY KILOWATTS OR GREATER AND EQUAL TO OR LESS THAN FIVE  
14 HUNDRED KILOWATTS IN CAPACITY;

15 (I) "QUALIFIED CONDITIONS" MEANS USING QUALIFIED INSTALLERS AND, FOR  
16 ANY SOLAR ENERGY DEVICE EXCEEDING SEVENTY-FIVE KILOWATTS IN CAPACITY,  
17 PAYMENT TO SUCH QUALIFIED INSTALLERS OF WAGES AND SUPPLEMENTS FOR THE  
18 INSTALLATION OF SUCH SOLAR ENERGY DEVICE IN ACCORDANCE WITH THE PREVAIL-  
19 ING WAGES AND SUPPLEMENTS THAT WOULD BE APPLICABLE TO A CONTRACT FOR  
20 PUBLIC WORK, PURSUANT TO SECTION TWO HUNDRED TWENTY OF THE LABOR LAW, IN  
21 THE LOCATION IN WHICH SUCH SOLAR ENERGY DEVICE IS LOCATED AT THE TIME OF  
22 SUCH INSTALLATION;

23 (J) (I) "QUALIFIED INSTALLER" MEANS:

24 A PERSON WHO: (A) WITH RESPECT TO THE INSTALLATION OF A SOLAR ELECTRIC  
25 DEVICE, HOLDS A LICENSE AS A MASTER ELECTRICIAN, OR, IS DESIGNATED AN  
26 APPROVED INSTALLER BY THE NEW YORK STATE ENERGY RESEARCH AND DEVELOPMENT  
27 AUTHORITY, OR HAS COMPLETED A REGISTERED APPRENTICESHIP TRAINING PROGRAM  
28 FOR ELECTRICIANS PURSUANT TO SECTION EIGHT HUNDRED ELEVEN OF THE LABOR  
29 LAW; AND

30 (B) HAS BEEN CERTIFIED PRIOR TO PERFORMING ANY WORK ON THE PROJECT AS  
31 HAVING SUCCESSFULLY COMPLETED A COURSE IN CONSTRUCTION SAFETY AND HEALTH  
32 APPROVED BY THE UNITED STATES DEPARTMENT OF LABOR'S OCCUPATIONAL SAFETY  
33 AND HEALTH ADMINISTRATION THAT IS AT LEAST TEN HOURS IN DURATION; AND

34 (C) WITH RESPECT TO ANY SOLAR INSTALLATION COMMENCED AFTER DECEMBER  
35 THIRTY-FIRST, TWO THOUSAND ELEVEN, HAS SUBMITTED TO THE CUSTOMER PROOF  
36 OF COMPLIANCE WITH THE AFOREMENTIONED REQUIREMENTS OF THIS PARAGRAPH.

37 (II) THE EMPLOYER OF A QUALIFIED INSTALLER SHALL ALSO BE DEEMED A  
38 QUALIFIED INSTALLER, PROVIDED THAT SUCH EMPLOYER MAINTAINS WORKERS  
39 COMPENSATION INSURANCE AND COMMERCIAL LIABILITY INSURANCE IN THE AMOUNTS  
40 REQUIRED BY LAW AND PROVIDED FURTHER THAT THE EMPLOYEES OF SUCH EMPLOYER  
41 ENGAGED IN INSTALLATIONS HAVE SUCCESSFULLY COMPLETED A COURSE IN  
42 CONSTRUCTION SAFETY AND HEALTH APPROVED BY THE UNITED STATES DEPARTMENT  
43 OF LABOR'S OCCUPATIONAL SAFETY AND HEALTH ADMINISTRATION THAT IS AT  
44 LEAST TEN HOURS IN DURATION.

45 (K) "SOLAR PURCHASE AGREEMENT" MEANS AN AGREEMENT, FOR A MINIMUM OF  
46 SEVEN YEARS, FOR THE PURCHASE OF SRECS FROM A QUALIFIED SOLAR ENERGY  
47 GENERATOR;

48 (L) "STANDARD SREC OFFER" MEANS AN AGREEMENT BY THE AUTHORITY, ENTERED  
49 INTO WITH A RETAIL DISTRIBUTED SOLAR ENERGY GENERATOR IN ADVANCE OF THE  
50 INSTALLATION OF A SOLAR ENERGY DEVICE BY SUCH GENERATOR, TO PURCHASE  
51 FROM SUCH RETAIL DISTRIBUTED SOLAR ENERGY GENERATOR, FOR A MINIMUM OF  
52 SEVEN YEARS, UPON SUCCESSFUL COMPLETION OF THE INSTALLATION OF THE SOLAR  
53 ENERGY DEVICE AND, IN THE CASE OF A SOLAR ELECTRIC DEVICE, UPON INTER-  
54 CONNECTION TO THE RETAIL DISTRIBUTION SYSTEM, THE SRECS THAT WILL BE  
55 GENERATED BY SUCH SOLAR ENERGY DEVICE;



1 (M) "SOLAR RENEWABLE ENERGY CREDIT" OR "SREC" MEANS THE ENVIRONMENTAL  
2 ATTRIBUTES ASSOCIATED WITH ONE MEGAWATT-HOUR OF QUALIFIED SOLAR ENERGY  
3 GENERATION;

4 (N) "ENHANCED SREC" MEANS A SREC (I) ASSOCIATED WITH RESIDENTIAL OR  
5 SMALL RETAIL DISTRIBUTED SOLAR ENERGY GENERATION PRODUCED BY (A) BUILD-  
6 ING-INTEGRATED SOLAR ENERGY EQUIPMENT OR (B) A SOLAR ENERGY DEVICE THAT  
7 CONSISTS OF NEW YORK STATE CONTENT; OR (II) ASSOCIATED WITH RESIDENTIAL  
8 DISTRIBUTED SOLAR ENERGY GENERATION PRODUCED BY A SOLAR ENERGY DEVICE  
9 THAT WAS INSTALLED USING QUALIFIED INSTALLERS TO WHOM PAYMENT OF WAGES  
10 AND SUPPLEMENTS FOR THE INSTALLATION OF SUCH SOLAR ENERGY DEVICE WAS IN  
11 ACCORDANCE WITH THE PREVAILING WAGES AND SUPPLEMENTS THAT WOULD BE  
12 APPLICABLE TO A CONTRACT FOR PUBLIC WORK, PURSUANT TO SECTION TWO  
13 HUNDRED TWENTY OF THE LABOR LAW, IN THE LOCATION IN WHICH SUCH SOLAR  
14 ENERGY DEVICE IS LOCATED AT THE TIME OF SUCH INSTALLATION. FOR EACH SUCH  
15 ENHANCING ASPECT, AS PROVIDED FOR IN THIS PARAGRAPH, AN ENHANCED SREC  
16 SHALL BE DEEMED TO HAVE THE ENVIRONMENTAL ATTRIBUTES OF AN ADDITIONAL  
17 TWENTY-FIVE PERCENT OF ITS UNDERLYING MEGAWATT-HOURS; PROVIDED, HOWEVER,  
18 THAT AN ENHANCED SREC SHALL NOT BE DEEMED TO POSSESS ENVIRONMENTAL  
19 ATTRIBUTES EXCEEDING ONE HUNDRED AND FIFTY PERCENT OF THE UNDERLYING  
20 SREC;

21 (O) "AMERICAN-MADE CONTENT" MEANS:

22 (I) A NON-MANUFACTURED GOOD THAT HAS BEEN MINED OR PRODUCED IN THE  
23 UNITED STATES OR ANY PLACE SUBJECT TO THE JURISDICTION THEREOF; OR

24 (II) A MANUFACTURED GOOD IN WHICH (1) THE COMPONENT SUPPLIES OR MATE-  
25 RIALS OF SUCH GOOD HAVE BEEN SUBSTANTIALLY TRANSFORMED BY A PROCESS OR  
26 PROCESSES PERFORMED WITHIN THE UNITED STATES OR ANY PLACE SUBJECT TO THE  
27 JURISDICTION THEREOF, OR (2) THE COST OF SUPPLIES THAT HAVE BEEN MINED  
28 OR PRODUCED WITHIN THE UNITED STATES OR ANY PLACE SUBJECT TO THE JURIS-  
29 DICTION THEREOF CONSTITUTES AT LEAST FIFTY PERCENT OF THE COST OF ALL  
30 SUPPLIES USED IN THE MANUFACTURE;

31 (P) "NEW YORK STATE CONTENT" MEANS:

32 (I) A NON-MANUFACTURED GOOD THAT HAS BEEN MINED OR PRODUCED WITHIN THE  
33 JURISDICTIONAL BOUNDARIES OF THE STATE OF NEW YORK; OR

34 (II) A MANUFACTURED GOOD IN WHICH (1) THE COMPONENT SUPPLIES OR MATE-  
35 RIALS OF SUCH GOOD HAVE BEEN SUBSTANTIALLY TRANSFORMED BY A PROCESS OR  
36 PROCESSES PERFORMED WITHIN THE JURISDICTIONAL BOUNDARIES OF THE STATE OF  
37 NEW YORK, OR (2) THE COST OF SUPPLIES THAT HAVE BEEN MINED OR PRODUCED  
38 WITHIN THE JURISDICTIONAL BOUNDARIES OF THE STATE OF NEW YORK CONSTI-  
39 TUTES AT LEAST FIFTY PERCENT OF THE COST OF ALL SUPPLIES USED IN THE  
40 MANUFACTURE;

41 (Q) "KILOWATT," "MEGAWATT," "KILOWATT-HOUR," AND "MEGAWATT-HOUR" SHALL  
42 INCLUDE THEIR ENERGY EQUIVALENTS STATED IN TERMS OF BRITISH THERMAL  
43 UNITS "BTU."

44 (R) "COMPLIANCE YEAR" MEANS THE PERIOD BEGINNING ON JULY FIRST AND  
45 ENDING ON THE FOLLOWING JUNE THIRTIETH, AND SHALL BE IDENTIFIED ACCORD-  
46 ING TO THE CALENDAR YEAR IN WHICH IT BEGINS;

47 (S) "SOLAR ALTERNATIVE COMPLIANCE PAYMENT" MEANS A PAYMENT OF A  
48 CERTAIN DOLLAR AMOUNT PER MEGAWATT-HOUR, AS ESTABLISHED PURSUANT TO  
49 SUBDIVISION THREE OF THIS SECTION THAT THE AUTHORITY MAY SUBMIT TO THE  
50 NEW YORK INDEPENDENT SYSTEM OPERATOR "NYISO" IN ORDER TO COMPLY WITH ITS  
51 ANNUAL OBLIGATIONS ESTABLISHED IN SUBDIVISION TWO OF THIS SECTION.

52 1-A. NOTWITHSTANDING ANY PROVISION OF SUBDIVISION ONE OF THIS SECTION  
53 TO THE CONTRARY, ELECTRIC POWER GENERATED BY A SOLAR ENERGY DEVICE  
54 LOCATED WITHIN THE JURISDICTIONAL BOUNDARIES OF THIS STATE, THE INSTAL-  
55 LATION OF WHICH WAS COMMENCED ON OR AFTER JULY FIRST TWO THOUSAND ELEVEN  
56 AND AT LEAST FIVE PERCENT OF THE TOTAL PROJECT COST OF WHICH WAS

1 EXPENDED NO LATER THAN DECEMBER THIRTY-FIRST, TWO THOUSAND ELEVEN SHALL  
 2 BE DEEMED "QUALIFIED SOLAR ENERGY GENERATION" AND SRECS ASSOCIATED WITH  
 3 SUCH A DEVICE MAY BE PURCHASED BY A RETAIL ELECTRIC SUPPLIER TO MEET  
 4 SUCH SUPPLIER'S ANNUAL OBLIGATIONS UNDER THIS SECTION; AND FURTHER  
 5 NOTWITHSTANDING ANY PROVISION OF SUBDIVISION ONE OF THIS SECTION TO THE  
 6 CONTRARY, THE ELECTRIC POWER OR THERMAL ENERGY GENERATED BY A SOLAR  
 7 ENERGY DEVICE THAT WAS PLACED IN SERVICE WITHIN THE JURISDICTIONAL BOUN-  
 8 DARIES OF THIS STATE PRIOR TO JULY FIRST, TWO THOUSAND TWELVE SHALL  
 9 UNTIL JUNE THIRTIETH, TWO THOUSAND FIFTEEN BE DEEMED "QUALIFIED SOLAR  
 10 ENERGY GENERATION" AND SRECS ASSOCIATED WITH SUCH A DEVICE MAY BE  
 11 PURCHASED BY THE AUTHORITY TO MEET ITS ANNUAL OBLIGATIONS UNDER THIS  
 12 SECTION UNTIL JUNE THIRTIETH, TWO THOUSAND FIFTEEN.

13 2. (A) THE AUTHORITY SHALL ANNUALLY PROCURE, AT MINIMUM, SRECS TO MEET  
 14 THE FOLLOWING PERCENTAGES OF THE AUTHORITY'S TOTAL ELECTRIC SALES IN  
 15 EACH COMPLIANCE YEAR:

16 COMPLIANCE	ANNUAL
17 YEAR	18 REQUIREMENT
19 2012	0.05%
20 2013	0.05%
21 2014	0.10%
22 2015	0.15%
23 2016	0.20%
24 2017	0.30%
25 2018	0.40%
26 2019	0.50%
27 2020	0.75%
28 2021	1.00%
29 2022	1.25%
30 2023	1.50%
31 2024	2.00%
32 2025	2.50%

33 (B) AT LEAST FORTY PERCENT OF THE ANNUAL OBLIGATION OF THE AUTHORITY,  
 34 AS ESTABLISHED IN THIS SUBDIVISION, SHALL BE MET THROUGH THE PROCUREMENT  
 35 OF SRECS ASSOCIATED WITH RETAIL DISTRIBUTED SOLAR ENERGY GENERATION, IN  
 36 ACCORDANCE WITH THE FOLLOWING REQUIREMENTS:

37 (I) AT LEAST TEN PERCENT OF THE ANNUAL OBLIGATION OF THE AUTHORITY  
 38 SHALL BE MET THROUGH THE PROCUREMENT OF SRECS ASSOCIATED WITH RESIDEN-  
 39 TIAL DISTRIBUTED SOLAR ENERGY GENERATION;

40 (II) AT LEAST TEN PERCENT OF SUCH ANNUAL OBLIGATION SHALL BE MET  
 41 THROUGH THE PROCUREMENT OF SRECS ASSOCIATED WITH SMALL RETAIL DISTRIB-  
 42 UTED SOLAR ENERGY GENERATION;

43 (III) AT LEAST TEN PERCENT OF SUCH ANNUAL OBLIGATION SHALL BE MET  
 44 THROUGH THE PROCUREMENT OF SRECS ASSOCIATED WITH COMMERCIAL DISTRIBUTED  
 45 SOLAR ENERGY GENERATION; AND

46 (IV) AT LEAST AN ADDITIONAL TEN PERCENT OF THE ANNUAL OBLIGATION OF  
 47 THE AUTHORITY SHALL BE MET THROUGH THE PROCUREMENT OF SRECS ASSOCIATED  
 48 WITH RETAIL DISTRIBUTED SOLAR ENERGY GENERATION PRODUCED BY EQUIPMENT OF  
 49 ANY SIZE.

50 (C) NOT MORE THAN SIXTY PERCENT OF THE ANNUAL OBLIGATION OF THE  
 51 AUTHORITY MAY BE MET BY THE PROCUREMENT OF SRECS ASSOCIATED WITH ENERGY  
 52 GENERATION PRODUCED BY SOLAR ENERGY DEVICES LOCATED OUTSIDE OF THE  
 53 AUTHORITY'S SERVICE TERRITORY.

54 (D) FOR COMPLIANCE YEAR TWO THOUSAND TWELVE, AT LEAST TEN PERCENT OF  
 55 THE ANNUAL OBLIGATION APPLICABLE TO EACH RETAIL ELECTRIC SUPPLIER THAT  
 56 IS AN ELECTRIC DISTRIBUTION COMPANY SHALL BE MET THROUGH THE PROCUREMENT  
 OF SRECS ASSOCIATED WITH SOLAR ENERGY DEVICES THAT CONSIST OF AMERICAN-

1 MADE CONTENT; FOR COMPLIANCE YEAR TWO THOUSAND THIRTEEN AT LEAST TWEN-  
2 TY-FIVE PERCENT OF SUCH OBLIGATION SHALL BE SO MET; FOR COMPLIANCE YEAR  
3 TWO THOUSAND FOURTEEN AT LEAST FORTY PERCENT OF SUCH OBLIGATION SHALL BE  
4 SO MET; FOR COMPLIANCE YEAR TWO THOUSAND FIFTEEN AT LEAST SIXTY PERCENT  
5 OF SUCH OBLIGATION SHALL BE SO MET; AND FOR EACH COMPLIANCE YEAR THERE-  
6 AFTER AT LEAST EIGHTY PERCENT OF SUCH OBLIGATION SHALL BE MET THROUGH  
7 THE PROCUREMENT OF SRECS ASSOCIATED WITH SOLAR ENERGY DEVICES THAT  
8 CONSIST OF AMERICAN-MADE CONTENT.

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

12 (F) THE AUTHORITY MAY MEET ITS OBLIGATIONS ESTABLISHED IN THIS SUBDI-  
13 VISION THROUGH THE PROCUREMENT OF SRECS TOGETHER WITH OR SEPARATE FROM  
14 THE ASSOCIATED QUALIFIED SOLAR ENERGY GENERATION.

15 (G) TRANSACTIONS FOR THE PROCUREMENT OF SRECS BY RETAIL ELECTRIC  
16 SUPPLIERS FROM QUALIFIED SOLAR ENERGY GENERATORS SHALL BE FOR SRECS IN  
17 WHOLE UNITS.

18 (H) SRECS SHALL BE ELIGIBLE FOR USE IN MEETING THE OBLIGATIONS ESTAB-  
19 LISHED IN THIS SUBDIVISION IN THE COMPLIANCE YEAR IN WHICH THEY ARE  
20 CREATED AND FOR THE FOLLOWING TWO COMPLIANCE YEARS.

21 3. (A) IN THE EVENT THAT THE AUTHORITY FAILS TO MEET ITS OBLIGATIONS  
22 ESTABLISHED IN SUBDIVISION TWO OF THIS SECTION, IT SHALL DISCHARGE SUCH  
23 OBLIGATIONS BY MAKING A SOLAR ALTERNATIVE COMPLIANCE PAYMENT IN AN  
24 AMOUNT ESTABLISHED PURSUANT TO THIS SUBDIVISION.

25 (B) FOR COMPLIANCE YEAR TWO THOUSAND TWELVE THE ANNUAL SOLAR COMPLI-  
26 ANCE PAYMENT SHALL BE SIX HUNDRED DOLLARS PER MEGAWATT. THE NEW YORK  
27 INDEPENDENT SYSTEM OPERATOR "NYISO" SHALL ESTABLISH NO LATER THAN FEBRU-  
28 ARY FIRST, TWO THOUSAND THIRTEEN A SOLAR ALTERNATIVE COMPLIANCE PAYMENT  
29 SCHEDULE THROUGH THE YEAR TWO THOUSAND TWENTY-FIVE AT LEVELS THAT ARE  
30 DETERMINED TO BE SUFFICIENT TO STIMULATE THE DEVELOPMENT OF NEW QUALI-  
31 FIED SOLAR ENERGY GENERATION EQUIPMENT NECESSARY TO ACHIEVE THE OBLI-  
32 GATIONS ESTABLISHED IN SUBDIVISION TWO OF THIS SECTION. NO LATER THAN  
33 FEBRUARY FIRST OF EACH YEAR THEREAFTER, NYISO SHALL ANNUALLY REVIEW SUCH  
34 SCHEDULE TO ENSURE THAT THE PAYMENTS ARE SET AT A LEVEL SUFFICIENT TO  
35 STIMULATE SUCH DEVELOPMENT AND MAY ADOPT, AFTER APPROPRIATE NOTICE AND  
36 OPPORTUNITY FOR PUBLIC COMMENT, AN INCREASE OR DECREASE IN ALTERNATIVE  
37 COMPLIANCE PAYMENTS CONSISTENT WITH THE FINDINGS OF SUCH REVIEW,  
38 PROVIDED THAT THE AMOUNT PER MEGAWATT OF ANY COMPLIANCE PAYMENT FOR A  
39 COMPLIANCE YEAR SHALL BE NOT LESS THAN NINETY PERCENT OF THE AMOUNT PER  
40 MEGAWATT OF COMPLIANCE PAYMENTS FOR THE PREVIOUS COMPLIANCE YEAR, AND  
41 PROVIDED FURTHER THAT NYISO SHALL NOT REDUCE LEVELS OF PAYMENTS FOR  
42 PREVIOUS YEARS, NOR SHALL NYISO PROVIDE RELIEF IN ANY FORM FROM THE  
43 OBLIGATION OF PAYMENT OF THE SOLAR ALTERNATIVE COMPLIANCE PAYMENTS BY  
44 THE AUTHORITY.

45 (C) FIFTY PERCENT OF ALL MONIES COLLECTED THROUGH SUCH ALTERNATIVE  
46 COMPLIANCE PAYMENTS SHALL BE MADE AVAILABLE BY NYISO FOR SOLAR INITI-  
47 ATIVES TO BE UNDERTAKEN BY MUNICIPALITIES IN THE STATE, AND FIFTY  
48 PERCENT OF SUCH MONIES SHALL BE DISTRIBUTED TO THE EMPIRE STATE DEVELOP-  
49 MENT CORPORATION FOR SOLAR INDUSTRY DEVELOPMENT PROGRAMS IN COUNTIES  
50 OUTSIDE THE CITY OF NEW YORK.

51 4. NO LATER THAN MARCH THIRTY-FIRST, TWO THOUSAND TWELVE, THE AUTHORI-  
52 TY SHALL SUBMIT TO THE GOVERNOR, SPEAKER OF THE ASSEMBLY, TEMPORARY  
53 PRESIDENT OF THE SENATE, AND CHAIRS OF THE SENATE AND ASSEMBLY ENERGY  
54 COMMITTEES, AND SHALL POST ON ITS WEBSITE, A SOLAR SOLICITATION PLAN FOR  
55 THE ACHIEVEMENT OF ITS OBLIGATIONS PERTAINING TO THE PROCUREMENT OF  
56 SRECS ASSOCIATED WITH QUALIFIED SOLAR ENERGY GENERATION ESTABLISHED IN

1 SUBDIVISION TWO OF THIS SECTION. SUCH PLAN SHALL INCLUDE DISTINCT TIME-  
2 TABLES AND METHODOLOGIES FOR SOLICITING PROPOSALS FOR SRECS ASSOCIATED  
3 WITH THE CATEGORIES OF RESIDENTIAL, SMALL RETAIL, COMMERCIAL, AND OTHER  
4 RETAIL DISTRIBUTED SOLAR ENERGY GENERATION, FOR THE PURPOSE OF FULFILL-  
5 ING ITS SOURCE DIVERSIFICATION REQUIREMENTS ESTABLISHED IN PARAGRAPH (B)  
6 OF SUBDIVISION TWO OF THIS SECTION. THE AUTHORITY'S SOLAR SOLICITATION  
7 PLAN SHALL BE DESIGNED TO FOSTER A DIVERSITY OF SOLAR PROJECT SIZES AND  
8 PARTICIPATION AMONG ALL ELIGIBLE CUSTOMER CLASSES.

9 5. (A) IF THE AUTHORITY DETERMINES THAT ITS ANNUAL EXPENDITURES FOR  
10 THE PROCUREMENT OF SRECS, INCLUDING THE SAVINGS IN AVOIDED COSTS, MADE  
11 FOR THE PURPOSES OF MEETING THE ANNUAL REQUIREMENT SET FORTH IN PARA-  
12 GRAPH (A) OF SUBDIVISION TWO OF THIS SECTION FOR A COMPLIANCE YEAR,  
13 EXCEEDS ONE PERCENT OF ITS ANNUAL RETAIL ELECTRICITY REVENUES FOR SUCH  
14 COMPLIANCE YEAR, THEN THE ANNUAL REQUIREMENT FOR THE COMPLIANCE YEAR FOR  
15 WHICH THE AUTHORITY MAKES ITS DETERMINATION SHALL CONTINUE TO BE THE  
16 ANNUAL REQUIREMENT APPLICABLE IN EACH SUBSEQUENT COMPLIANCE YEAR UNTIL  
17 THIS LIMITATION ENDS AS PROVIDED IN PARAGRAPH (B) OF THIS SUBDIVISION.

18 (B) IF THE LIMITATION PROVIDED FOR IN PARAGRAPH (A) OF THIS SUBDIVI-  
19 SION IS TRIGGERED, IT SHALL END UPON A DETERMINATION BY THE AUTHORITY  
20 THAT ITS ANNUAL EXPENDITURE FOR THE PROCUREMENT OF SRECS MADE FOR THE  
21 PURPOSES OF MEETING ITS ANNUAL REQUIREMENT FOR A COMPLIANCE YEAR DID NOT  
22 EXCEED ONE PERCENT OF ITS ANNUAL RETAIL ELECTRICITY REVENUES FOR SUCH  
23 COMPLIANCE YEAR. FOR THE COMPLIANCE YEAR IMMEDIATELY FOLLOWING THE END  
24 OF THE LIMITATION PURSUANT TO THIS PARAGRAPH, THE APPLICABLE ANNUAL  
25 REQUIREMENT SHALL BE THE REQUIREMENT SET FORTH IN PARAGRAPH (A) OF  
26 SUBDIVISION TWO OF THIS SECTION FOR THE COMPLIANCE YEAR IMMEDIATELY  
27 FOLLOWING THE COMPLIANCE YEAR FOR WHICH THE LIMITATION IN PARAGRAPH (A)  
28 OF THIS SUBDIVISION WAS TRIGGERED. THE ANNUAL REQUIREMENT SHALL CONTINUE  
29 TO INCREASE IN THE INCREMENTS PROVIDED FOR IN PARAGRAPH (A) OF SUBDIVI-  
30 SION TWO OF THIS SECTION FOR EACH SUBSEQUENT YEAR UNTIL THE ANNUAL  
31 REQUIREMENT REACHES THE PERCENTAGE SET FORTH IN SUCH PARAGRAPH FOR  
32 COMPLIANCE YEAR TWO THOUSAND TWENTY-FIVE.

33 6. (A) NO LATER THAN JULY FIRST, TWO THOUSAND THIRTEEN, AND NO LATER  
34 THAN JULY FIRST OF EACH YEAR THEREAFTER THROUGH THE YEAR TWO THOUSAND  
35 TWENTY-SIX, THE AUTHORITY SHALL REPORT TO THE GOVERNOR, SPEAKER OF THE  
36 ASSEMBLY, TEMPORARY PRESIDENT OF THE SENATE, AND CHAIRS OF THE SENATE  
37 AND ASSEMBLY ENERGY COMMITTEES, AND SHALL POST ON ITS WEBSITE, A REPORT  
38 REGARDING ITS PROGRESS IN MEETING ITS OBLIGATIONS ESTABLISHED IN SUBDI-  
39 VISION TWO OF THIS SECTION.

40 (B) EACH REPORT THAT SHALL BE SUBMITTED PURSUANT TO THIS SUBDIVISION  
41 SHALL INCLUDE, BUT NOT BE LIMITED TO, FOR THE PREVIOUS CALENDAR YEAR AND  
42 FOR THE TOTAL OF ALL CALENDAR YEARS TO DATE: (I) THE NUMBER OF SRECS  
43 ASSOCIATED WITH QUALIFIED SOLAR ENERGY GENERATION RETIRED FOR THE  
44 PURPOSES OF MEETING THE AUTHORITY'S OBLIGATIONS ESTABLISHED IN SUBDIVI-  
45 SION TWO OF THIS SECTION; (II) THE NUMBER OF SUCH SRECS EACH ASSOCIATED  
46 WITH RESIDENTIAL, SMALL RETAIL, AND COMMERCIAL DISTRIBUTED SOLAR ENERGY  
47 GENERATION, AND RETAIL DISTRIBUTED SOLAR ENERGY GENERATION PRODUCED BY  
48 EQUIPMENT OF ANY CAPACITY THAT WERE PROCURED; (III) THE NUMBER OF SUCH  
49 SRECS PROCURED THROUGH SOLAR PURCHASE AGREEMENTS AND THE AUTHORITY'S  
50 OWNERSHIP OF QUALIFIED SOLAR ENERGY GENERATION EQUIPMENT, RESPECTIVELY;  
51 AND (IV) THE ANNUAL RETAIL ELECTRICITY SALES REVENUE AND EXPENDITURES  
52 MADE FOR THE PROCUREMENT OF SRECS FOR THE PURPOSE OF MEETING THE APPLI-  
53 CABLE ANNUAL REQUIREMENT, PROVIDED THAT SUCH INFORMATION NEED ONLY BE  
54 REPORTED FOR THE PREVIOUS CALENDAR YEAR.

55 S 6. If any provision of this act is, for any reason, declared uncon-  
56 stitutional or invalid, in whole or in part, by any court of competent

1 jurisdiction, such portion shall be deemed severable, and such unconsti-  
2 tutionality or invalidity shall not affect the validity of the remaining  
3 provisions of this act, which remaining provisions shall continue in  
4 full force and effect.

5 S 7. This act shall take effect immediately.