

7415

I N S E N A T E

May 10, 2012

Introduced by Sen. MAZIARZ -- 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, in relation to providing oversight and monitoring the operations of an independent system operator

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

1 Section 1. 1. Definitions. For the purposes of this section, the
2 terms:
3 a. "independent system operator" shall mean any not-for-profit corpo-
4 ration formed and operating in the state of New York that is approved by
5 the United States federal energy regulatory commission to operate in the
6 state to administer and monitor wholesale electricity markets.
7 b. "end use sector member" shall mean any entity that purchases elec-
8 tricity for its own consumption and not for resale.
9 2. Board members. The board of directors of the independent system
10 operator shall include three members who shall represent the interests
11 of small business owners and farmers. The governor, the speaker of the
12 assembly and the temporary president of the senate shall each appoint
13 one such member.
14 3. Disclosure of information. a. An independent system operator oper-
15 ating in this state shall disclose price data related to its wholesale
16 market operations including, but not limited to, information on real-
17 time, hour-head and day-ahead bids in the independent system operator's
18 wholesale electricity market auctions, transmission congestion contract
19 auctions and installed capacity market auctions with no more than a
20 three month delay. Such data shall be provided in aggregate hourly,
21 daily, monthly, annual and historical data sets for comparison purposes
22 and shall also reflect seasonal and peak load variations and averages.
23 b. The independent system operator shall also disclose the names of
24 any bidder that submits a bid in any of the auctions described in para-
25 graph a of this subdivision and the amount of the bid.
26 c. Such information shall be made in a format readily available and
27 accessible to the public.

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

1 4. Consumer liaison. The independent system operator shall appoint an
2 employee to serve as consumer liaison, whose primary duty shall be to
3 interact with members of the end-use sector for the purposes of:

4 a. keeping end-use sector members informed about developments that may
5 affect their interests;

6 b. explaining the issues and proposals under discussion and proposed
7 for consideration at the operating committee, business issues committee
8 and management committee as well as the ramifications of those proposals
9 on residential consumers;

10 c. responding to the questions and concerns of members of the end-use
11 sector; and

12 d. serving as the liaison between the end-use sector and the members
13 of the operator's board of directors who are designated or assigned to
14 focus on the interests of the residential, small business and farm elec-
15 tricity users.

16 5. Notwithstanding any other provision of law to the contrary, the
17 independent system operator shall be subject to the provisions of
18 section 74-a and article 7 of the public officers law.

19 S 2. Section 66 of the public service law is amended by adding a new
20 subdivision 29 to read as follows:

21 29. (A) FOR THE PURPOSES OF THIS SUBDIVISION:

22 (I) "INDEPENDENT SYSTEM OPERATOR" SHALL MEAN ANY NOT-FOR-PROFIT CORPO-
23 RATION FORMED AND OPERATING IN THE STATE THAT IS APPROVED BY THE UNITED
24 STATES FEDERAL ENERGY REGULATORY COMMISSION TO OPERATE IN THE STATE TO
25 ADMINISTER AND MONITOR WHOLESALE ELECTRICITY MARKETS; AND

26 (II) "END USE SECTOR MEMBER" SHALL INCLUDE ANY ENTITY THAT PURCHASES
27 ELECTRICITY FOR ITS OWN CONSUMPTION AND NOT FOR RESALE.

28 (B) THE COMMISSIONER IS AUTHORIZED AND DIRECTED TO PROVIDE OVERSIGHT
29 AND MONITOR THE MARKET AND CORPORATE OPERATIONS OF AN INDEPENDENT SYSTEM
30 OPERATOR, INCLUDING BUT NOT LIMITED TO THE EXTENT TO WHICH IT:

31 (I) SERVES THE NEEDS OF ALL CUSTOMER CLASSES AND OPERATES IN A MANNER
32 THAT IS IN THE BEST INTEREST OF THE PUBLIC;

33 (II) ENSURES RELIABILITY, QUALITY AND MAINTENANCE OF THE TRANSMISSION
34 SYSTEM;

35 (III) COMPLIES WITH THE REQUIREMENTS OF THE NEW YORK STATE OPEN MEET-
36 ING AND FREEDOM OF INFORMATION LAWS; AND

37 (IV) CONTRIBUTES TO THE ACHIEVEMENT OF ENERGY EFFICIENCY AND FUEL
38 DIVERSITY GOALS OF THE STATE.

39 (C) THE COMMISSIONER SHALL ANNUALLY ISSUE A REPORT RELATING THE MARKET
40 AND CORPORATE OPERATIONS OF THE INDEPENDENT SYSTEM OPERATOR. SUCH
41 REPORTS SHALL INCLUDE, BUT NOT BE LIMITED TO:

42 (I) ANALYSES BY AN INDEPENDENT SYSTEM OPERATOR AND OTHER DATA
43 COLLECTED AND ANALYZED BY THE COMMISSION INFORMATION ON REAL-TIME,
44 HOUR-AHEAD AND DAY-AHEAD MARKET BIDS AND BIDDERS IN AN INDEPENDENT
45 SYSTEM OPERATOR'S WHOLESALE ELECTRICITY MARKET AUCTIONS, TRANSMISSION
46 CONGESTION CONTRACT AUCTIONS AND INSTALLED MARKET AUCTIONS;

47 (II) A DETERMINATION OF THE EXTENT TO WHICH THE ENERGY MARKETS ARE
48 MAINTAINING NECESSARY LEVELS OF RELIABILITY;

49 (III) A DETERMINATION OF WHETHER OR NOT ALL CUSTOMER CLASSES ARE BEING
50 ADEQUATELY SERVED BY COMPETITIVE ENERGY MARKETS;

51 (IV) A DETERMINATION OF THE COMPETITIVENESS OF ENERGY MARKETS; INCLUD-
52 ING A DETERMINATION WHETHER OR NOT THE ELECTRIC INDUSTRY IS PROVIDING
53 CONSUMERS WITH THE LOWEST PRICES POSSIBLE WITHIN A RESTRUCTURED, COMPET-
54 ITIVE RETAIL MARKETPLACE;

55 (V) A DETERMINATION OF THE EXTENT TO WHICH THE ENERGY MARKETS ARE
56 ACHIEVING THE ENERGY EFFICIENCY AND FUEL DIVERSITY GOALS OF THE STATE;

1 (VI) THE NAME AND TERMS OF THE BOARDS OF DIRECTORS AND OF THE MEMBERS
2 OF THE INDEPENDENT SYSTEM OPERATOR'S MANAGEMENT, OPERATING AND BUSINESS
3 COMMITTEES;

4 (VII) AN INDEPENDENT SYSTEM OPERATOR'S FINANCIAL INFORMATION; AND

5 (VIII) RECOMMENDATIONS FOR IMPROVING ANY DEFICIENCIES SO IDENTIFIED IN
6 ELECTRICITY ENERGY MARKETS, INCLUDING NON-COMPETITIVE PRICING SITU-
7 ATIONS.

8 (D) THE COMMISSION SHALL SUBMIT SUCH REPORT TO THE GOVERNOR, THE PRES-
9 IDENT PRO TEM OF THE SENATE, THE SPEAKER OF THE ASSEMBLY, THE MINORITY
10 LEADERS OF THE SENATE AND THE ASSEMBLY, THE CHAIRS OF THE ENERGY COMMIT-
11 TEES OF THE SENATE AND THE ASSEMBLY, NO LATER THAN APRIL FIRST, TWO
12 THOUSAND TWELVE AND ANNUALLY THEREAFTER.

13 S 3. This act shall take effect immediately.