

4178

2011-2012 Regular Sessions

I N S E N A T E

March 22, 2011

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 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 power 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 power, including the significant creation of much needed jobs, a
8 reduction of the long-term costs of electricity generation for New
9 York's energy consumers, including transmission and distribution costs
10 that continue to accelerate in proportion to overall electricity supply
11 costs for the residents of this state, increased reliability of the
12 state's electric grid, and a decrease in the emission of harmful air
13 pollution, including localized emissions from "peaker" plants and green-
14 house gas emissions. By establishing such a program, New York will
15 create a solar energy enterprise that will elevate the state to be among
16 the world's cutting edge clean energy industry leaders, while helping to
17 secure increased economic development for New Yorkers.

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

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

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

LBD08692-02-1

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

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

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

9 (C) "PHOTOVOLTAIC DEVICE" MEANS A SYSTEM OF COMPONENTS THAT GENERATES
10 ELECTRICITY FROM INCIDENTAL SUNLIGHT BY MEANS OF THE PHOTOVOLTAIC
11 EFFECT, WHETHER OR NOT THE DEVICE IS COUPLED WITH A DEVICE CAPABLE OF
12 STORING THE ENERGY PRODUCED FOR LATER USE;

13 (D) "QUALIFIED SOLAR ENERGY GENERATION" MEANS POWER GENERATED BY A
14 PHOTOVOLTAIC DEVICE THAT IS PLACED IN SERVICE WITHIN THE JURISDICTIONAL
15 BOUNDARIES OF THE STATE ON OR AFTER JANUARY FIRST, TWO THOUSAND TEN,
16 THAT IS NOT SUBJECT TO A POWER PURCHASE AGREEMENT;

17 (E) "QUALIFIED SOLAR ENERGY GENERATOR" MEANS THE OWNER OF A PHOTOVOL-
18 TAIC DEVICE OR DEVICES THAT PRODUCES QUALIFIED SOLAR ENERGY GENERATION;

19 (F) "RETAIL DISTRIBUTED SOLAR ENERGY GENERATION" MEANS QUALIFIED SOLAR
20 ENERGY GENERATION PRODUCED BY A PHOTOVOLTAIC DEVICE THAT IS INTERCON-
21 NECTED TO THE DISTRIBUTION SYSTEM ON THE CUSTOMER SIDE OF THE ELECTRIC
22 DISTRIBUTION COMPANY METER;

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

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

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

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

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

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

44 COMPLIANCE	ANNUAL
45 YEAR	45 REQUIREMENT
46 2013	0.05%
47 2014	0.10%
48 2015	0.15%
49 2016	0.20%
50 2017	0.30%
51 2018	0.40%
52 2019	0.50%
53 2020	0.75%
54 2021	1.00%
55 2022	1.25%
56 2023	1.50%

1 2024 2.00%
2 2025 2.50%

3 (B) AT LEAST TWENTY PERCENT OF THE ANNUAL OBLIGATION APPLICABLE TO
4 EACH RETAIL ELECTRIC SUPPLIER THAT IS AN ELECTRIC DISTRIBUTION COMPANY
5 SHALL BE MET THROUGH THE PROCUREMENT OF SRECS ASSOCIATED WITH SMALL
6 RETAIL DISTRIBUTED SOLAR ENERGY GENERATION; AND AT LEAST AN ADDITIONAL
7 THIRTY PERCENT OF THE ANNUAL OBLIGATION APPLICABLE TO EACH RETAIL ELEC-
8 TRIC SUPPLIER THAT IS AN ELECTRIC DISTRIBUTION COMPANY SHALL BE MET
9 THROUGH THE PROCUREMENT OF SRECS ASSOCIATED WITH RETAIL DISTRIBUTED
10 SOLAR ENERGY GENERATION PRODUCED BY EQUIPMENT OF ANY SIZE.

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

14 (D) RETAIL ELECTRIC SUPPLIERS MAY MEET THEIR OBLIGATIONS ESTABLISHED
15 BY THE COMMISSION PURSUANT TO THIS SUBDIVISION THROUGH THE PROCUREMENT
16 OF SRECS TOGETHER WITH OR SEPARATE FROM THE ASSOCIATED QUALIFIED SOLAR
17 ENERGY GENERATION.

18 (E) THE COMMISSION, IN COORDINATION WITH THE NEW YORK STATE ENERGY
19 RESEARCH AND DEVELOPMENT AUTHORITY AND THE WHOLESALE GRID OPERATOR,
20 SHALL ESTABLISH AN AUTOMATED SREC TRACKING SYSTEM WITHIN THREE MONTHS OF
21 THE EFFECTIVE DATE OF THIS SECTION.

22 (F) SRECS SHALL BE ELIGIBLE FOR USE IN MEETING THE OBLIGATIONS ESTAB-
23 LISHED IN THIS SUBDIVISION IN THE COMPLIANCE YEAR IN WHICH THEY ARE
24 CREATED AND FOR THE FOLLOWING TWO COMPLIANCE YEARS.

25 3. (A) IN THE EVENT THAT RETAIL ELECTRIC SUPPLIERS CANNOT MEET THEIR
26 OBLIGATIONS ESTABLISHED IN SUBDIVISION TWO OF THIS SECTION, THEY SHALL
27 BE PERMITTED TO DISCHARGE SUCH OBLIGATIONS BY MAKING A SOLAR ALTERNATIVE
28 COMPLIANCE PAYMENT IN AN AMOUNT ESTABLISHED BY THE COMMISSION, PROVIDED,
29 HOWEVER, THAT THE COMMISSION SHALL SET SUCH PAYMENT AT A LEVEL THAT
30 SHALL STIMULATE THE DEVELOPMENT OF NEW QUALIFIED SOLAR ENERGY GENERATION
31 EQUIPMENT NECESSARY TO ACHIEVE THE OBLIGATIONS ESTABLISHED IN SUBDIVI-
32 SION TWO OF THIS SECTION.

33 (B) NO LATER THAN JANUARY FIRST, TWO THOUSAND TWELVE, THE COMMISSION
34 SHALL ESTABLISH A SOLAR ALTERNATIVE COMPLIANCE PAYMENT SCHEDULE THROUGH
35 THE YEAR TWO THOUSAND TWENTY-FIVE, AND SHALL ANNUALLY REVIEW SUCH SCHED-
36 ULE TO ENSURE THAT THE PAYMENTS ARE SET AT A LEVEL TO STIMULATE THE
37 DEVELOPMENT OF NEW QUALIFIED SOLAR ENERGY GENERATION EQUIPMENT, IN
38 ACCORDANCE WITH THE PREVIOUS SUBDIVISION. ONCE SUCH SCHEDULE IS ESTAB-
39 LISHED, THE COMMISSION MAY ADOPT, AFTER APPROPRIATE NOTICE AND OPPORTU-
40 NITY FOR PUBLIC COMMENT, AN INCREASE IN ALTERNATIVE COMPLIANCE PAYMENTS,
41 PROVIDED THAT THE COMMISSION SHALL NOT REDUCE PREVIOUSLY ESTABLISHED
42 LEVELS OF PAYMENTS, NOR SHALL THE COMMISSION PROVIDE RELIEF FROM THE
43 OBLIGATION OF PAYMENT OF THE SOLAR ALTERNATIVE COMPLIANCE PAYMENTS BY
44 THE RETAIL ELECTRIC SUPPLIERS IN ANY FORM.

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

49 4. (A) NO LATER THAN JANUARY FIRST, TWO THOUSAND TWELVE, THE COMMIS-
50 SION SHALL ESTABLISH A TEMPLATE FOR SOLAR PURCHASE AGREEMENTS TO BE USED
51 BY RETAIL ELECTRIC SUPPLIERS THAT ARE ELECTRIC DISTRIBUTION COMPANIES
52 FOR THEIR PROCUREMENT OF SRECS FOR THE PURPOSE OF FULFILLING THEIR OBLI-
53 GATIONS ESTABLISHED IN SUBDIVISION TWO OF THIS SECTION.

54 (B) EACH RETAIL ELECTRIC SUPPLIER THAT IS AN ELECTRIC DISTRIBUTION
55 COMPANY SHALL, NOT LATER THAN JULY FIRST, TWO THOUSAND TWELVE, SUBMIT
56 FOR COMMISSION REVIEW AND APPROVAL A SOLAR SOLICITATION PLAN THAT SHALL

1 INCLUDE A TIMETABLE AND METHODOLOGY FOR SOLICITING PROPOSALS FOR SRECS
2 ASSOCIATED WITH QUALIFIED SOLAR ENERGY GENERATION OTHER THAN SMALL
3 RETAIL DISTRIBUTED SOLAR ENERGY GENERATION, FOR THE PURPOSE OF FULFILL-
4 ING ITS OBLIGATIONS ESTABLISHED IN SUBDIVISION TWO OF THIS SECTION. THE
5 ELECTRIC DISTRIBUTION COMPANY'S SOLAR SOLICITATION PLAN SHALL BE
6 DESIGNED TO FOSTER A DIVERSITY OF SOLAR PROJECT SIZES AND PARTICIPATION
7 AMONG ALL ELIGIBLE CUSTOMER CLASSES SUBJECT TO COST-EFFECTIVENESS
8 CONSIDERATIONS. A SEPARATE SOLICITATION PROCESS SHALL BE CONDUCTED FOR
9 THE PROCUREMENTS OF SRECS ASSOCIATED WITH RETAIL DISTRIBUTED SOLAR ENER-
10 GY GENERATION PRODUCED BY EQUIPMENT THAT IS BETWEEN FIFTY-ONE AND TWO
11 HUNDRED FIFTY KILOWATTS IN SIZE.

12 (C) EACH RETAIL ELECTRIC SUPPLIER THAT IS AN ELECTRIC DISTRIBUTION
13 COMPANY SHALL EXECUTE ITS APPROVED SOLICITATION PLAN AND SUBMIT FOR
14 COMMISSION REVIEW AND APPROVAL ITS PREFERRED SOLAR PROCUREMENT PLAN
15 COMPRISED OF PROPOSED SOLAR PURCHASE AGREEMENTS FOR SRECS ASSOCIATED
16 WITH QUALIFIED SOLAR ENERGY GENERATION OTHER THAN SMALL RETAIL DISTRIB-
17 UTED SOLAR ENERGY GENERATION. THE COMMISSION MAY APPROVE, REJECT OR
18 MODIFY AN APPLICATION FOR APPROVAL OF SUCH PLAN, PROVIDED THAT THE
19 COMMISSION SHALL APPROVE SUCH PLAN IF THE COMMISSION FINDS THAT: (I) THE
20 SOLICITATION AND EVALUATION CONDUCTED BY THE ELECTRIC DISTRIBUTION
21 COMPANY WAS THE RESULT OF A FAIR, OPEN, COMPETITIVE AND TRANSPARENT
22 PROCESS; (II) APPROVAL OF THE SOLAR PROCUREMENT PLAN WOULD RESULT IN THE
23 ACHIEVEMENT OF THE DISTRIBUTION COMPANY'S OBLIGATIONS PERTAINING TO THE
24 PROCUREMENT OF SRECS ASSOCIATED WITH QUALIFIED SOLAR ENERGY GENERATION
25 OTHER THAN SMALL RETAIL DISTRIBUTED SOLAR ENERGY GENERATION AT THE
26 LOWEST REASONABLE COST; AND (III) SUCH PROCUREMENT PLAN SATISFIES OTHER
27 CRITERIA AS MAY BE ESTABLISHED IN THE APPROVED SOLICITATION PLAN. IF THE
28 COMMISSION DOES NOT APPROVE, REJECT OR MODIFY THE DISTRIBUTION COMPANY'S
29 APPLICATION WITHIN SIXTY DAYS, THE PROCUREMENT PLAN SHALL BE DEEMED
30 APPROVED.

31 (D) NO LATER THAN JULY FIRST, TWO THOUSAND TWELVE, EACH RETAIL ELEC-
32 TRIC SUPPLIER THAT IS AN ELECTRIC DISTRIBUTION COMPANY SHALL SUBMIT TO
33 THE COMMISSION FOR REVIEW AND APPROVAL A PLAN FOR THE ACHIEVEMENT OF ITS
34 OBLIGATION PERTAINING TO THE PROCUREMENT OF SRECS ASSOCIATED WITH SMALL
35 RETAIL DISTRIBUTED SOLAR ENERGY GENERATION ESTABLISHED IN SUBDIVISION
36 TWO OF THIS SECTION.

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

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

52 7. NO LATER THAN JANUARY FIRST, TWO THOUSAND TWELVE, THE COMMISSION
53 SHALL, IN CONSULTATION WITH THE NEW YORK STATE ENERGY RESEARCH AND
54 DEVELOPMENT AUTHORITY, ESTABLISH THE TERMS AND CONDITIONS THAT SHALL BE
55 APPLICABLE TO SOLAR PURCHASE AGREEMENTS ENTERED INTO BY RETAIL ELECTRIC
56 SUPPLIERS THAT ARE ELECTRIC DISTRIBUTION COMPANIES FOR THE PROCUREMENT

1 OF SRECS ASSOCIATED WITH SMALL RETAIL DISTRIBUTED SOLAR ENERGY GENER-
2 ATION, FOR THE PURPOSE OF ACHIEVING SUCH COMPANIES' OBLIGATIONS PERTAIN-
3 ING TO SRECS ASSOCIATED WITH SUCH GENERATION ESTABLISHED IN SUBDIVISION
4 TWO OF THIS SECTION. SUCH TERMS AND CONDITIONS SHALL INCLUDE A TARIFF,
5 AS ESTABLISHED BY THE COMMISSION IN CONJUNCTION WITH THE NEW YORK STATE
6 ENERGY RESEARCH AND DEVELOPMENT AUTHORITY, FOR THE PROCUREMENT OF SRECS
7 ASSOCIATED WITH SMALL RETAIL DISTRIBUTED SOLAR ENERGY GENERATION, TO BE
8 PAID BY ELECTRIC DISTRIBUTION COMPANIES TO APPLICABLE QUALIFIED SOLAR
9 ENERGY GENERATORS. THE COMMISSION, IN CONJUNCTION WITH THE NEW YORK
10 STATE ENERGY RESEARCH AND DEVELOPMENT AUTHORITY, SHALL ESTABLISH A SEPA-
11 RATE TARIFF FOR THE PROCUREMENT OF SRECS ASSOCIATED WITH SMALL RETAIL
12 DISTRIBUTED SOLAR ENERGY GENERATION THAT IS PRODUCED BY BUILDING INTE-
13 GRATED PHOTOVOLTAIC EQUIPMENT, WHICH SHALL BE EQUIVALENT TO ONE HUNDRED
14 TWENTY-FIVE PERCENT OF THE TARIFF APPLICABLE TO SRECS ASSOCIATED WITH
15 OTHER SOURCES OF SMALL RETAIL DISTRIBUTED SOLAR ENERGY GENERATION. THE
16 COMMISSION, IN CONJUNCTION WITH THE NEW YORK STATE ENERGY RESEARCH AND
17 DEVELOPMENT AUTHORITY, SHALL REVIEW SUCH TARIFFS EVERY TWO YEARS AND
18 ADJUST AS NECESSARY TO ACHIEVE THE OBLIGATIONS PERTAINING TO SRECS ASSO-
19 CIATED WITH SMALL RETAIL DISTRIBUTED SOLAR ENERGY GENERATION ESTABLISHED
20 IN SUBDIVISION TWO OF THIS SECTION.

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

25 9. EACH RETAIL ELECTRIC SUPPLIER THAT IS AN ELECTRIC DISTRIBUTION
26 COMPANY SHALL BE PERMITTED TO CONSTRUCT, OWN AND OPERATE QUALIFIED SOLAR
27 ENERGY GENERATION EQUIPMENT FOR THE PURPOSE OF COMPLYING WITH THE COMPA-
28 NY'S OBLIGATIONS ESTABLISHED IN SUBDIVISION TWO OF THIS SECTION;
29 PROVIDED, HOWEVER, THAT THE SRECS ASSOCIATED WITH THE QUALIFIED SOLAR
30 ENERGY GENERATION PRODUCED BY SUCH EQUIPMENT SHALL NOT, IN THE AGGRE-
31 GATE, COMPRISE GREATER THAN TWENTY-FIVE PERCENT OF SUCH COMPANY'S OBLI-
32 GATIONS, AS ESTABLISHED IN SUBDIVISION TWO OF THIS SECTION, IN ANY
33 CALENDAR YEAR. NO ELECTRIC DISTRIBUTION COMPANY MAY RECOVER PRUDENTLY
34 INCURRED COSTS ASSOCIATED WITH THE CONSTRUCTION OF QUALIFIED SOLAR ENER-
35 GY GENERATION EQUIPMENT WITHOUT OBTAINING PRIOR APPROVAL FOR THE COSTS
36 FROM THE COMMISSION.

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

48 11. (A) WITHIN THIRTY DAYS OF THE SUBMISSION OF THE ANNUAL COMPLIANCE
49 REPORTS FILED BY RETAIL ELECTRIC SUPPLIERS PURSUANT TO SUBDIVISION
50 TWELVE OF THIS SECTION, THE COMMISSION SHALL DETERMINE THE COMBINED
51 TOTAL ANNUAL EXPENDITURES FOR THE PROCUREMENT OF SRECS MADE BY RETAIL
52 ELECTRIC SUPPLIERS FOR THE PURPOSES OF MEETING THE ANNUAL REQUIREMENT
53 SET FORTH IN PARAGRAPH (A) OF SUBDIVISION TWO OF THIS SECTION FOR THE
54 APPLICABLE COMPLIANCE YEAR AS A PERCENTAGE OF THE TOTAL RETAIL ELECTRIC-
55 ITY SALES REVENUES FOR RETAIL ELECTRIC SUPPLIERS FOR SUCH COMPLIANCE
56 YEAR. IF SUCH PERCENTAGE EXCEEDS ONE AND ONE-HALF PERCENT, THEN THE

1 ANNUAL REQUIREMENT FOR THE COMPLIANCE YEAR FOR WHICH THE COMMISSION
2 MAKES ITS DETERMINATION SHALL CONTINUE TO BE THE ANNUAL REQUIREMENT
3 APPLICABLE IN EACH SUBSEQUENT COMPLIANCE YEAR UNTIL THIS LIMITATION ENDS
4 AS PROVIDED IN PARAGRAPH (B) OF THIS SUBDIVISION.

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

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

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

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

37 (C) EACH REPORT THAT SHALL BE SUBMITTED PURSUANT TO THIS SUBDIVISION
38 SHALL INCLUDE, BUT NOT BE LIMITED TO, FOR EACH RETAIL ELECTRIC SUPPLIER
39 FOR THE PREVIOUS CALENDAR YEAR AND FOR THE TOTAL OF ALL CALENDAR YEARS
40 TO DATE: (I) THE ACTUAL NUMBER OF MEGAWATT-HOURS OF QUALIFIED SOLAR
41 ENERGY GENERATION SOLD AT RETAIL TO NEW YORK END-USE CUSTOMERS AND THE
42 TOTAL NUMBER OF MEGAWATT-HOURS SOLD AT RETAIL TO NEW YORK END-USE
43 CUSTOMERS; (II) THE NUMBER OF SRECS ASSOCIATED WITH QUALIFIED SOLAR
44 ENERGY GENERATION THAT WERE RETIRED FOR THE PURPOSES OF MEETING THE
45 SUPPLIER'S OBLIGATIONS ESTABLISHED IN SUBDIVISION TWO OF THIS SECTION;
46 (III) THE AMOUNT, IF ANY, OF SOLAR ALTERNATIVE COMPLIANCE PAYMENTS MADE;
47 AND (IV) ITS ANNUAL RETAIL ELECTRICITY SALES REVENUE AND EXPENDITURES
48 FOR THE PROCUREMENT OF SRECS MADE FOR THE PURPOSES OF MEETING THE APPLI-
49 CABLE ANNUAL REQUIREMENT, PROVIDED THAT SUCH INFORMATION NEED ONLY BE
50 REPORTED FOR THE PREVIOUS CALENDAR YEAR. SUCH REPORT SHALL ALSO
51 INCLUDE, FOR EACH RETAIL ELECTRIC SUPPLIER THAT IS AN ELECTRIC DISTRIB-
52 UTION COMPANY: (1) THE NUMBER OF SRECS EACH ASSOCIATED WITH SMALL RETAIL
53 DISTRIBUTED SOLAR ENERGY GENERATION, RETAIL DISTRIBUTED SOLAR ENERGY
54 GENERATION PRODUCED BY EQUIPMENT THAT IS BETWEEN FIFTY-ONE AND TWO
55 HUNDRED FIFTY KILOWATTS IN SIZE AND RETAIL DISTRIBUTED SOLAR ENERGY
56 GENERATION PRODUCED BY EQUIPMENT OF ANY SIZE THAT WERE PROCURED; (2) THE

1 NUMBER OF SUCH SRECS PROCURED THROUGH SOLAR PURCHASE AGREEMENTS AND THE
 2 ELECTRIC DISTRIBUTION COMPANY'S OWNERSHIP OF QUALIFIED SOLAR ENERGY
 3 GENERATION EQUIPMENT, RESPECTIVELY; AND (3) THE AMOUNT PAID TO QUALIFIED
 4 SOLAR ENERGY GENERATORS THROUGH TARIFFS ESTABLISHED PURSUANT TO SUBDIVI-
 5 SION SEVEN OF THIS SECTION FOR SRECS ASSOCIATED WITH SMALL RETAIL
 6 DISTRIBUTED SOLAR ENERGY GENERATION.

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

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

11 (1) "PHOTOVOLTAIC DEVICE" MEANS A SYSTEM OF COMPONENTS THAT GENERATES
 12 ELECTRICITY FROM INCIDENTAL SUNLIGHT BY MEANS OF THE PHOTOVOLTAIC
 13 EFFECT, WHETHER OR NOT THE DEVICE IS COUPLED WITH A DEVICE CAPABLE OF
 14 STORING THE ENERGY PRODUCED FOR LATER USE;

15 (2) "QUALIFIED SOLAR ENERGY GENERATION" MEANS POWER GENERATED BY A
 16 PHOTOVOLTAIC DEVICE THAT IS PLACED IN SERVICE WITHIN THE JURISDICTIONAL
 17 BOUNDARIES OF THE STATE ON OR AFTER JANUARY FIRST, TWO THOUSAND TEN,
 18 THAT IS NOT SUBJECT TO A POWER PURCHASE AGREEMENT;

19 (3) "QUALIFIED SOLAR ENERGY GENERATOR" MEANS THE OWNER OF A PHOTOVOL-
 20 TAIC DEVICE OR DEVICES THAT PRODUCES QUALIFIED SOLAR ENERGY GENERATION;

21 (4) "RETAIL DISTRIBUTED SOLAR ENERGY GENERATION" MEANS QUALIFIED SOLAR
 22 ENERGY GENERATION PRODUCED BY A PHOTOVOLTAIC DEVICE THAT IS INTERCON-
 23 NECTED TO THE DISTRIBUTION SYSTEM ON THE CUSTOMER SIDE OF THE ELECTRIC
 24 DISTRIBUTION COMPANY METER;

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

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

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

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

37 COMPLIANCE	ANNUAL
38 YEAR	39 REQUIREMENT
39 2013	0.25%
40 2014	0.55%
41 2015	0.70%
42 2016	0.90%
43 2017	1.10%
44 2018	1.30%
45 2019	1.50%
46 2020	1.75%
47 2021	2.00%
48 2022	2.50%
49 2023	3.00%
50 2024	3.50%
51 2025	4.50%

52 (2) AT LEAST TWENTY PERCENT OF THE ANNUAL OBLIGATION ESTABLISHED IN
 53 THIS PARAGRAPH SHALL BE MET THROUGH THE PROCUREMENT OF SRECS ASSOCIATED
 54 WITH SMALL RETAIL DISTRIBUTED SOLAR ENERGY GENERATION; AND AT LEAST AN
 55 ADDITIONAL THIRTY PERCENT OF THE ANNUAL OBLIGATION ESTABLISHED IN THIS
 56 PARAGRAPH SHALL BE MET THROUGH THE PROCUREMENT OF SRECS ASSOCIATED WITH

1 RETAIL DISTRIBUTED SOLAR ENERGY GENERATION PRODUCED BY EQUIPMENT OF ANY
2 SIZE.

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

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

9 C. (1) NO LATER THAN JULY FIRST, TWO THOUSAND TWELVE, THE AUTHORITY
10 SHALL SUBMIT TO THE GOVERNOR, SPEAKER OF THE ASSEMBLY, TEMPORARY PRESI-
11 DENT OF THE SENATE, AND CHAIRS OF THE SENATE AND ASSEMBLY ENERGY COMMIT-
12 TEES, AND SHALL POST ON ITS WEBSITE, A SOLAR SOLICITATION PLAN THAT
13 SHALL INCLUDE A TIMETABLE AND METHODOLOGY FOR SOLICITING PROPOSALS FOR
14 SRECS ASSOCIATED WITH QUALIFIED SOLAR ENERGY GENERATION OTHER THAN SMALL
15 RETAIL DISTRIBUTED SOLAR ENERGY GENERATION, FOR THE PURPOSE OF FULFILL-
16 ING ITS OBLIGATIONS ESTABLISHED IN PARAGRAPH B OF THIS SUBDIVISION. THE
17 AUTHORITY'S SOLAR SOLICITATION PLAN SHALL BE DESIGNED TO FOSTER A DIVER-
18 SITY OF SOLAR PROJECT SIZES AND PARTICIPATION AMONG ALL ELIGIBLE CUSTOM-
19 ER CLASSES SUBJECT TO COST-EFFECTIVENESS CONSIDERATIONS. A SEPARATE
20 SOLICITATION PROCESS SHALL BE CONDUCTED FOR THE PROCUREMENT OF SRECS
21 ASSOCIATED WITH RETAIL DISTRIBUTED SOLAR ENERGY GENERATION PRODUCED BY
22 EQUIPMENT THAT IS BETWEEN FIFTY-ONE AND TWO HUNDRED FIFTY KILOWATTS IN
23 SIZE.

24 (2) THE AUTHORITY SHALL EXECUTE ITS SOLICITATION PLAN AND SHALL SUBMIT
25 TO THE COMPTROLLER, GOVERNOR, SPEAKER OF THE ASSEMBLY, TEMPORARY PRESI-
26 DENT OF THE SENATE, AND CHAIRS OF THE SENATE AND ASSEMBLY ENERGY COMMIT-
27 TEES, AND SHALL POST ON ITS WEBSITE, ITS SOLAR PROCUREMENT PLAN
28 COMPRISED OF ANY SOLAR PURCHASE AGREEMENTS FOR SRECS ASSOCIATED WITH
29 QUALIFIED SOLAR ENERGY GENERATION OTHER THAN SMALL RETAIL DISTRIBUTED
30 SOLAR ENERGY GENERATION. THE COMPTROLLER SHALL REVIEW SUCH PLAN TO
31 ASSESS WHETHER IT IS THE RESULT OF A FAIR, OPEN, COMPETITIVE AND TRANS-
32 PARENT PROCESS AND SHALL REPORT TO THE GOVERNOR, SPEAKER OF THE ASSEM-
33 BLY, TEMPORARY PRESIDENT OF THE SENATE, AND CHAIRS OF THE SENATE AND
34 ASSEMBLY ENERGY COMMITTEES REGARDING THE RESULTS OF SUCH ASSESSMENT.

35 (3) NO LATER THAN JULY FIRST, TWO THOUSAND TWELVE, THE AUTHORITY SHALL
36 SUBMIT TO THE GOVERNOR, SPEAKER OF THE ASSEMBLY, TEMPORARY PRESIDENT OF
37 THE SENATE, AND CHAIRS OF THE SENATE AND ASSEMBLY ENERGY COMMITTEES, AND
38 SHALL POST ON ITS WEBSITE, 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 PARAGRAPH B OF THIS
41 SUBDIVISION.

42 D. (1) NO LATER THAN JULY FIRST, TWO THOUSAND FOURTEEN, AND NO LATER
43 THAN JULY FIRST OF EACH YEAR THEREAFTER THROUGH THE YEAR TWO THOUSAND
44 TWENTY-SIX, THE AUTHORITY SHALL REPORT TO THE GOVERNOR, SPEAKER OF THE
45 ASSEMBLY, MAJORITY LEADER OF THE SENATE, AND CHAIRS OF THE SENATE AND
46 ASSEMBLY ENERGY COMMITTEES, AND SHALL POST ON ITS WEBSITE, A REPORT
47 REGARDING ITS PROGRESS IN MEETING ITS OBLIGATIONS ESTABLISHED IN PARA-
48 GRAPH B OF THIS SUBDIVISION.

49 (2) EACH REPORT THAT SHALL BE SUBMITTED PURSUANT TO THIS PARAGRAPH
50 SHALL INCLUDE, BUT NOT BE LIMITED TO, FOR THE PREVIOUS CALENDAR YEAR AND
51 FOR THE TOTAL OF ALL CALENDAR YEARS TO DATE: (I) THE NUMBER OF SRECS
52 ASSOCIATED WITH QUALIFIED SOLAR ENERGY GENERATION RETIRED FOR THE
53 PURPOSES OF MEETING THE AUTHORITY'S OBLIGATIONS ESTABLISHED IN PARAGRAPH
54 B OF THIS SUBDIVISION; (II) THE NUMBER OF SUCH SRECS EACH ASSOCIATED
55 WITH SMALL RETAIL DISTRIBUTED SOLAR ENERGY GENERATION, RETAIL DISTRIB-
56 UTED SOLAR ENERGY GENERATION PRODUCED BY EQUIPMENT THAT IS BETWEEN

1 FIFTY-ONE AND TWO HUNDRED FIFTY KILOWATTS IN SIZE AND RETAIL DISTRIBUTED
 2 SOLAR ENERGY GENERATION PRODUCED BY EQUIPMENT OF ANY SIZE THAT WERE
 3 PROCURED; AND (III) THE NUMBER OF SUCH SRECS PROCURED THROUGH SOLAR
 4 PURCHASE AGREEMENTS AND THE AUTHORITY'S OWNERSHIP OF QUALIFIED SOLAR
 5 ENERGY GENERATION EQUIPMENT, RESPECTIVELY.

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

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

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

16 (B) "PHOTOVOLTAIC DEVICE" MEANS A SYSTEM OF COMPONENTS THAT GENERATES
 17 ELECTRICITY FROM INCIDENTAL SUNLIGHT BY MEANS OF THE PHOTOVOLTAIC
 18 EFFECT, WHETHER OR NOT THE DEVICE IS COUPLED WITH A DEVICE CAPABLE OF
 19 STORING THE ENERGY PRODUCED FOR LATER USE;

20 (C) "QUALIFIED SOLAR ENERGY GENERATION" MEANS POWER GENERATED BY A
 21 PHOTOVOLTAIC DEVICE THAT IS PLACED IN SERVICE WITHIN THE JURISDICTIONAL
 22 BOUNDARIES OF THE STATE ON OR AFTER JANUARY FIRST, TWO THOUSAND TEN,
 23 THAT IS NOT SUBJECT TO A POWER PURCHASE AGREEMENT;

24 (D) "QUALIFIED SOLAR ENERGY GENERATOR" MEANS THE OWNER OF A PHOTOVOL-
 25 TAIC DEVICE OR DEVICES THAT PRODUCES QUALIFIED SOLAR ENERGY GENERATION;

26 (E) "RETAIL DISTRIBUTED SOLAR ENERGY GENERATION" MEANS QUALIFIED SOLAR
 27 ENERGY GENERATION PRODUCED BY A PHOTOVOLTAIC DEVICE THAT IS INTERCON-
 28 NECTED TO THE DISTRIBUTION SYSTEM ON THE CUSTOMER SIDE OF THE ELECTRIC
 29 DISTRIBUTION COMPANY METER;

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

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

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

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

42 COMPLIANCE	ANNUAL
43 YEAR	REQUIREMENT
44 2013	0.25%
45 2014	0.55%
46 2015	0.70%
47 2016	0.90%
48 2017	1.10%
49 2018	1.30%
50 2019	1.50%
51 2020	1.75%
52 2021	2.00%
53 2022	2.50%
54 2023	3.00%
55 2024	3.50%
56 2025	4.50%

1 (B) AT LEAST TWENTY PERCENT OF THE ANNUAL OBLIGATION ESTABLISHED IN
2 THIS SUBDIVISION SHALL BE MET THROUGH THE PROCUREMENT OF SRECS ASSOCI-
3 ATED WITH SMALL RETAIL DISTRIBUTED SOLAR ENERGY GENERATION; AND AT LEAST
4 AN ADDITIONAL THIRTY PERCENT OF THE ANNUAL OBLIGATION ESTABLISHED IN
5 THIS SUBDIVISION SHALL BE MET THROUGH THE PROCUREMENT OF SRECS ASSOCI-
6 ATED WITH RETAIL DISTRIBUTED SOLAR ENERGY GENERATION PRODUCED BY EQUIP-
7 MENT OF ANY SIZE.

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

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

14 3. (A) NO LATER THAN JULY FIRST, TWO THOUSAND TWELVE, THE AUTHORITY
15 SHALL SUBMIT TO THE GOVERNOR, SPEAKER OF THE ASSEMBLY, TEMPORARY PRESI-
16 DENT OF THE SENATE, AND CHAIRS OF THE SENATE AND ASSEMBLY ENERGY COMMIT-
17 TEES, AND SHALL POST ON ITS WEBSITE, A SOLAR SOLICITATION PLAN THAT
18 SHALL INCLUDE A TIMETABLE AND METHODOLOGY FOR SOLICITING PROPOSALS FOR
19 SRECS ASSOCIATED WITH QUALIFIED SOLAR ENERGY GENERATION OTHER THAN SMALL
20 RETAIL DISTRIBUTED SOLAR ENERGY GENERATION, FOR THE PURPOSE OF FULFILL-
21 ING ITS OBLIGATIONS ESTABLISHED IN SUBDIVISION TWO OF THIS SECTION. THE
22 AUTHORITY'S SOLAR SOLICITATION PLAN SHALL BE DESIGNED TO FOSTER A DIVER-
23 SITY OF SOLAR PROJECT SIZES AND PARTICIPATION AMONG ALL ELIGIBLE CUSTOM-
24 ER CLASSES SUBJECT TO COST-EFFECTIVENESS CONSIDERATIONS. A SEPARATE
25 SOLICITATION PROCESS SHALL BE CONDUCTED FOR THE PROCUREMENT OF SRECS
26 ASSOCIATED WITH RETAIL DISTRIBUTED SOLAR ENERGY GENERATION PRODUCED BY
27 EQUIPMENT THAT IS BETWEEN FIFTY-ONE AND TWO HUNDRED FIFTY KILOWATTS IN
28 SIZE.

29 (B) THE AUTHORITY SHALL EXECUTE ITS SOLICITATION PLAN AND SHALL SUBMIT
30 TO THE COMPTROLLER, GOVERNOR, SPEAKER OF THE ASSEMBLY, TEMPORARY PRESI-
31 DENT OF THE SENATE, AND CHAIRS OF THE SENATE AND ASSEMBLY ENERGY COMMIT-
32 TEES, AND SHALL POST ON ITS WEBSITE, ITS SOLAR PROCUREMENT PLAN
33 COMPRISED OF ANY SOLAR PURCHASE AGREEMENTS FOR SRECS ASSOCIATED WITH
34 QUALIFIED SOLAR ENERGY GENERATION OTHER THAN SMALL RETAIL DISTRIBUTED
35 SOLAR ENERGY GENERATION. THE COMPTROLLER SHALL REVIEW SUCH PLAN TO
36 ASSESS WHETHER IT IS THE RESULT OF A FAIR, OPEN, COMPETITIVE AND TRANS-
37 PARENT PROCESS AND SHALL REPORT TO THE GOVERNOR, SPEAKER OF THE ASSEM-
38 BLY, TEMPORARY PRESIDENT OF THE SENATE, AND CHAIRS OF THE SENATE AND
39 ASSEMBLY ENERGY COMMITTEES REGARDING THE RESULTS OF SUCH ASSESSMENT.

40 (C) NO LATER THAN JULY FIRST, TWO THOUSAND TWELVE, THE AUTHORITY SHALL
41 SUBMIT TO THE GOVERNOR, SPEAKER OF THE ASSEMBLY, TEMPORARY PRESIDENT OF
42 THE SENATE, AND CHAIRS OF THE SENATE AND ASSEMBLY ENERGY COMMITTEES, AND
43 SHALL POST ON ITS WEBSITE, A PLAN FOR THE ACHIEVEMENT OF ITS OBLIGATION
44 PERTAINING TO THE PROCUREMENT OF SRECS ASSOCIATED WITH SMALL RETAIL
45 DISTRIBUTED SOLAR ENERGY GENERATION ESTABLISHED IN SUBDIVISION TWO OF
46 THIS SECTION.

47 4. NO LATER THAN JANUARY FIRST, TWO THOUSAND TWELVE, THE AUTHORITY
48 SHALL ESTABLISH A TARIFF THAT IT SHALL PAY TO APPLICABLE QUALIFIED SOLAR
49 ENERGY GENERATORS WITH WHICH THE AUTHORITY ENTERS INTO SOLAR PURCHASE
50 AGREEMENTS FOR THE PROCUREMENT OF SRECS ASSOCIATED WITH SMALL RETAIL
51 DISTRIBUTED SOLAR ENERGY GENERATION FOR THE PURPOSE OF ACHIEVING THE
52 AUTHORITY'S OBLIGATIONS PERTAINING TO SRECS ASSOCIATED WITH SUCH GENER-
53 ATION ESTABLISHED IN SUBDIVISION TWO OF THIS SECTION. THE AUTHORITY
54 SHALL ESTABLISH A SEPARATE TARIFF FOR THE PROCUREMENT OF SRECS ASSOCI-
55 ATED WITH SMALL RETAIL DISTRIBUTED SOLAR ENERGY GENERATION THAT IS
56 PRODUCED BY BUILDING INTEGRATED PHOTOVOLTAIC EQUIPMENT, WHICH SHALL BE

1 EQUIVALENT TO ONE HUNDRED TWENTY-FIVE PERCENT OF THE TARIFF APPLICABLE
2 TO SRECS ASSOCIATED WITH OTHER SOURCES OF SMALL RETAIL DISTRIBUTED SOLAR
3 ENERGY GENERATION. THE AUTHORITY SHALL REVIEW SUCH TARIFFS EVERY TWO
4 YEARS AND ADJUST AS NECESSARY TO ACHIEVE ITS OBLIGATIONS PERTAINING TO
5 SRECS ASSOCIATED WITH SMALL RETAIL DISTRIBUTED SOLAR ENERGY GENERATION
6 ESTABLISHED IN SUBDIVISION TWO OF THIS SECTION.

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

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

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

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

1 S 6. If any provision of this act is, for any reason, declared uncon-
2 stitutional or invalid, in whole or in part, by any court of competent
3 jurisdiction, such portion shall be deemed severable, and such unconsti-
4 tutionality or invalidity shall not affect the validity of the remaining
5 provisions of this act, which remaining provisions shall continue in
6 full force and effect.

7 S 7. This act shall take effect immediately; provided, however, that
8 this act shall expire and be deemed repealed on the date the chairman of
9 the public service commission notifies the legislative bill drafting
10 commission of the occurrence of the implementation of a substantially
11 similar federal program.