

4178

2011-2012 Regular Sessions

I N   S E N A T E

March 22, 2011

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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	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

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

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

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

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

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

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

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

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

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

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

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

COMPLIANCE	ANNUAL
YEAR	REQUIREMENT
2013	0.25%
2014	0.55%
2015	0.70%
2016	0.90%
2017	1.10%
2018	1.30%
2019	1.50%
2020	1.75%
2021	2.00%
2022	2.50%
2023	3.00%
2024	3.50%
2025	4.50%

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

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



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

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

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

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

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

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

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

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

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

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

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

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

COMPLIANCE	ANNUAL
YEAR	REQUIREMENT
2013	0.25%
2014	0.55%
2015	0.70%
2016	0.90%
2017	1.10%
2018	1.30%
2019	1.50%
2020	1.75%
2021	2.00%
2022	2.50%
2023	3.00%
2024	3.50%
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

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

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

(B) IF THE LIMITATION PROVIDED FOR IN PARAGRAPH (A) OF THIS SUBDIVISION IS TRIGGERED, IT SHALL END UPON A DETERMINATION BY THE AUTHORITY THAT ITS ANNUAL EXPENDITURE FOR THE PROCUREMENT OF SRECS MADE FOR THE PURPOSES OF MEETING ITS ANNUAL REQUIREMENT FOR A COMPLIANCE YEAR DID NOT EXCEED ONE AND ONE-HALF PERCENT OF ITS ANNUAL RETAIL ELECTRICITY REVENUES FOR SUCH COMPLIANCE YEAR. FOR THE COMPLIANCE YEAR IMMEDIATELY FOLLOWING THE END OF THE LIMITATION PURSUANT TO THIS PARAGRAPH, THE APPLICABLE ANNUAL REQUIREMENT SHALL BE THE REQUIREMENT SET FORTH IN PARAGRAPH (A) OF SUBDIVISION TWO OF THIS SECTION FOR THE COMPLIANCE YEAR IMMEDIATELY FOLLOWING THE COMPLIANCE YEAR FOR WHICH THE LIMITATION IN PARAGRAPH (A) OF THIS SUBDIVISION WAS TRIGGERED. THE ANNUAL REQUIREMENT SHALL CONTINUE TO INCREASE IN THE INCREMENTS PROVIDED FOR IN PARAGRAPH (A) OF SUBDIVISION TWO OF THIS SECTION FOR EACH SUBSEQUENT YEAR UNTIL THE ANNUAL REQUIREMENT REACHES THE PERCENTAGE SET FORTH IN SUCH PARAGRAPH FOR COMPLIANCE YEAR TWO THOUSAND TWENTY-FIVE.

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

(B) EACH REPORT THAT SHALL BE SUBMITTED PURSUANT TO THIS SUBDIVISION SHALL INCLUDE, BUT NOT BE LIMITED TO, FOR THE PREVIOUS CALENDAR YEAR AND FOR THE TOTAL OF ALL CALENDAR YEARS TO DATE: (I) THE NUMBER OF SRECS ASSOCIATED WITH QUALIFIED SOLAR ENERGY GENERATION RETIRED FOR THE PURPOSES OF MEETING THE AUTHORITY'S OBLIGATIONS ESTABLISHED IN SUBDIVISION TWO OF THIS SECTION; (II) THE NUMBER OF SUCH SRECS EACH ASSOCIATED WITH SMALL RETAIL DISTRIBUTED SOLAR ENERGY GENERATION, RETAIL DISTRIBUTED SOLAR ENERGY GENERATION PRODUCED BY EQUIPMENT THAT IS BETWEEN FIFTY-ONE AND TWO HUNDRED FIFTY KILOWATTS IN SIZE AND RETAIL DISTRIBUTED SOLAR ENERGY GENERATION PRODUCED BY EQUIPMENT OF ANY SIZE THAT WERE PROCURED; (III) THE NUMBER OF SUCH SRECS PROCURED THROUGH SOLAR PURCHASE AGREEMENTS AND THE AUTHORITY'S OWNERSHIP OF QUALIFIED SOLAR ENERGY GENERATION EQUIPMENT, RESPECTIVELY; (IV) THE AMOUNT PAID TO QUALIFIED SOLAR ENERGY GENERATORS FOR SRECS ASSOCIATED WITH SMALL RETAIL DISTRIBUTED SOLAR ENERGY GENERATION THROUGH THE TARIFFS ESTABLISHED PURSUANT TO SUBDIVISION FOUR OF THIS SECTION; AND (V) THE ANNUAL RETAIL ELECTRICITY SALES REVENUE AND EXPENDITURES MADE FOR THE PROCUREMENT OF SRECS FOR THE PURPOSE OF MEETING THE APPLICABLE ANNUAL REQUIREMENT, PROVIDED THAT SUCH 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.