

5839

2011-2012 Regular Sessions

I N S E N A T E

June 21, 2011

Introduced by Sen. PARKER -- read twice and ordered printed, and when printed to be committed to the Committee on Rules

AN ACT to amend the public service law and the public authorities law, in relation to credit for electricity generated by a customer-generator subject to net energy metering

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

1 Section 1. Subdivision 4 of section 66-j of the public service law, as
2 amended by chapter 355 of the laws of 2009, is amended to read as
3 follows:

4 4. Rates. An electric corporation shall use net energy metering to
5 measure and charge for the net electricity supplied by the corporation
6 and provided to the corporation by a customer-generator, according to
7 these requirements:

8 (a) In the event that the amount of electricity supplied by the corpo-
9 ration during the billing period exceeds the amount of electricity
10 provided by a customer-generator, the corporation shall, AFTER DEDUCT-
11 ING, FROM THE AGGREGATE OF UNUSED CREDIT FOR EXCESS ELECTRICITY GENER-
12 ATED BY SUCH CUSTOMER-GENERATOR PRIOR TO SUCH BILLING PERIOD, AN AMOUNT
13 OF CREDIT EQUAL TO THE AMOUNT OF ELECTRICITY SUPPLIED BY THE ELECTRIC
14 CORPORATION, TO THE EXTENT SUCH CREDIT EXISTS, AND MAY THEREAFTER charge
15 the customer-generator for the net electricity supplied, AFTER DEDUCTION
16 OF SUCH CREDITS, at the same rate per kilowatt hour applicable to
17 service provided to other customers in the same service class which do
18 not generate electricity onsite.

19 (b) In the event that the amount of electricity produced by a custom-
20 er-generator during the billing period exceeds the amount of electricity
21 used by the customer-generator, the corporation shall (I) apply a credit
22 to the next bill for service to the customer-generator for the net elec-
23 tricity provided at the same rate per kilowatt hour applicable to
24 service provided to other customers in the same service class which do

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

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1 not generate electricity onsite, OR (II) AT THE OPTION OF THE CUSTOMER-
2 GENERATOR, CREDIT SUCH CUSTOMER-GENERATOR WITH THE AMOUNT OF EXCESS
3 KILOWATT HOURS GENERATED IN EXCESS OF ITS USE, AND SUCH CREDIT SHALL BE
4 AGGREGATED INDEFINITELY TO BE USED AS CREDIT AGAINST CHARGES INCURRED
5 PURSUANT TO PARAGRAPH (A) OF THIS SUBDIVISION; except for micro-combined
6 heat and power or fuel cell customer-generators, who will be credited at
7 the corporation's avoided costs. The avoided cost credit provided to
8 micro-combined heat and power or fuel cell customer-generators shall be
9 treated for ratemaking purposes as a purchase of electricity in the
10 market that is includable in commodity costs.

11 (c) At the end of the year or annualized over the period that service
12 is supplied by means of net energy metering, the corporation shall (I)
13 promptly issue payment at its avoided cost to the customer-generator, as
14 defined in subparagraph (i) [or], (ii), (IV) OR (V) of paragraph (a) of
15 subdivision one of this section, for the value of any remaining credit
16 for the excess electricity produced during the year or over the annual-
17 ized period by the customer-generator, OR (II) AT THE OPTION OF THE
18 CUSTOMER-GENERATOR, SHALL CONTINUE TO AGGREGATE SUCH CREDITS, AT THE
19 SAME RATE PER KILOWATT HOUR APPLICABLE TO THE SERVICE PROVIDED TO OTHER
20 CUSTOMERS IN THE SAME SERVICE CLASS WHICH DO NOT GENERATE ELECTRICITY ON
21 SITE, FOR AN INDEFINITE PERIOD OF TIME AND CONTINUE TO ALLOW USE OF SUCH
22 CREDIT TO OFFSET ANY LIABILITY OF THE CUSTOMER-GENERATOR TO THE ELECTRIC
23 CORPORATION DURING BILLING PERIODS IN WHICH THE ELECTRICITY GENERATED BY
24 THE CUSTOMER-GENERATOR IS LESS THAN THAT USED BY SUCH CUSTOMER.

25 (d) In the event that the corporation imposes charges based on kilo-
26 watt demand on customers who are in the same service class as the
27 customer-generator but which do not generate electricity on site, the
28 corporation may impose the same charges at the same rates to the custom-
29 er-generator, provided, however, that the kilowatt demand for such
30 demand charges is determined by the maximum measured kilowatt demand
31 actually supplied by the corporation to the customer-generator during
32 the billing period.

33 (E) IN THE EVENT THAT A CUSTOMER-GENERATOR ELECTS TO ALLOW THE AGGRE-
34 GATION OF ANY CREDITS FOR EXCESS ELECTRICITY GENERATED, THE
35 CUSTOMER-GENERATOR SHALL BE ENTITLED TO AN ACCOUNTING OF SUCH CREDITS
36 ONCE EVERY FIVE YEARS AND UPON SUCH ACCOUNTING, THE ELECTRIC CORPORATION
37 SHALL PROMPTLY ISSUE PAYMENT AT ITS AVOIDED COST TO SUCH CUSTOMER-GENER-
38 ATOR, AS DEFINED IN SUBPARAGRAPH (I), (II), (IV) OR (V) OF PARAGRAPH (A)
39 OF SUBDIVISION ONE OF THIS SECTION, FOR THE VALUE OF ANY REMAINING CRED-
40 IT FOR THE EXCESS ELECTRICITY PRODUCED BY THE CUSTOMER-GENERATOR.

41 S 2. Subdivision 4 of section 66-1 of the public service law, as
42 amended by chapter 721 of the laws of 2006, paragraphs (b) and (c) as
43 amended and paragraph (d) as added by chapter 483 of the laws of 2008,
44 is amended to read as follows:

45 4. Rates. An electric corporation shall use net energy metering to
46 measure and charge for the net electricity supplied by the corporation
47 and provided to the corporation by a customer-generator, according to
48 the following requirements:

49 (a) In the event that the amount of electricity supplied by the corpo-
50 ration during the billing period exceeds the amount of electricity
51 provided by a customer-generator, the corporation shall, AFTER DEDUCT-
52 ING, FROM THE AGGREGATE OF UNUSED CREDIT FOR EXCESS ELECTRICITY GENER-
53 ATED BY SUCH CUSTOMER-GENERATOR PRIOR TO SUCH BILLING PERIOD, AN AMOUNT
54 OF CREDIT EQUAL TO THE AMOUNT OF ELECTRICITY SUPPLIED BY THE ELECTRIC
55 CORPORATION, TO THE EXTENT SUCH CREDIT EXISTS, AND MAY THEREAFTER charge
56 the customer-generator for the net electricity supplied, AFTER DEDUCTION

1 OF SUCH CREDITS, at the same rate per kilowatt hour applicable to
2 service provided to other customers in the same service class which do
3 not generate electricity on site.

4 (b) In the event that the amount of electricity produced by a custom-
5 er-generator during the billing period exceeds the amount of electricity
6 used by the customer-generator, the corporation shall (I) apply a credit
7 to the next bill for service to the customer-generator for the net elec-
8 tricity provided at the same rate per kilowatt hour applicable to
9 service provided to other customers in the same service class which do
10 not generate electricity on site, OR (II) AT THE OPTION OF THE CUSTOM-
11 ER-GENERATOR, CREDIT SUCH CUSTOMER-GENERATOR WITH THE AMOUNT OF EXCESS
12 KILOWATT HOURS GENERATED IN EXCESS OF ITS USE, AND SUCH CREDIT SHALL BE
13 AGGREGATED INDEFINITELY TO BE USED AS CREDIT AGAINST CHARGES INCURRED
14 PURSUANT TO PARAGRAPH (A) OF THIS SUBDIVISION.

15 (c) At the end of the year or annualized over the period that service
16 is supplied by means of net energy metering, the corporation shall (I)
17 promptly issue payment at its avoided cost to a residential or farm
18 service customer-generator for the value of any remaining credit for the
19 excess electricity produced during the year or over the annualized peri-
20 od by such customer-generator, OR (II) AT THE OPTION OF THE
21 CUSTOMER-GENERATOR, SHALL CONTINUE TO AGGREGATE SUCH CREDITS, AT THE
22 SAME RATE PER KILOWATT HOUR APPLICABLE TO THE SERVICE PROVIDED TO OTHER
23 CUSTOMERS IN THE SAME SERVICE CLASS WHICH DO NOT GENERATE ELECTRICITY ON
24 SITE, FOR AN INDEFINITE PERIOD OF TIME, AND CONTINUE TO ALLOW USE OF
25 SUCH CREDIT TO OFFSET ANY LIABILITY OF THE CUSTOMER-GENERATOR TO THE
26 ELECTRIC CORPORATION DURING BILLING PERIODS IN WHICH THE ELECTRICITY
27 GENERATED BY THE CUSTOMER-GENERATOR IS LESS THAN THAT USED BY SUCH
28 CUSTOMER.

29 (d) In the event that the corporation imposes charges based on kilo-
30 watt demand on customers who are in the same service class as the
31 customer-generator but which do not generate electricity on site, the
32 corporation may impose the same charges at the same rates to the custom-
33 er-generator, provided, however, that the kilowatt demand for such
34 demand charges is determined by the maximum measured kilowatt demand
35 actually supplied by the corporation to the customer-generator during
36 the billing period.

37 (E) IN THE EVENT THAT A CUSTOMER-GENERATOR ELECTS TO ALLOW THE AGGRE-
38 GATION OF ANY CREDITS FOR EXCESS ELECTRICITY GENERATED, THE
39 CUSTOMER-GENERATOR SHALL BE ENTITLED TO AN ACCOUNTING OF SUCH CREDITS
40 ONCE EVERY FIVE YEARS AND UPON SUCH ACCOUNTING, THE ELECTRIC CORPORATION
41 SHALL PROMPTLY ISSUE PAYMENT AT ITS AVOIDED COST TO SUCH CUSTOMER-GENER-
42 ATOR FOR THE VALUE OF ANY REMAINING CREDIT FOR THE EXCESS ELECTRICITY
43 PRODUCED BY THE CUSTOMER-GENERATOR.

44 S 3. Subdivision (h) of section 1020-g of the public authorities law,
45 as amended by chapter 355 of the laws of 2009, is amended to read as
46 follows:

47 (h) To implement programs and policies designed to provide for the
48 interconnection of: (i) (A) solar electric generating equipment owned or
49 operated by residential customers, (B) farm waste electric generating
50 equipment owned or operated by customer-generators, (C) solar electric
51 generating equipment owned or operated by non-residential customers, (D)
52 micro-combined heat and power generating equipment owned, leased or
53 operated by residential customers, and (E) fuel cell electric generating
54 equipment owned, leased or operated by residential customers, and for
55 net energy metering consistent with section sixty-six-j of the public
56 service law, to increase the efficiency of energy end use, to shift

1 demand from periods of high demand to periods of low demand and to
2 facilitate the development of cogeneration; and (ii) wind electric
3 generating equipment owned or operated by customer-generators and for
4 net energy metering consistent with section sixty-six-1 of the public
5 service law. NOTWITHSTANDING THE PROVISIONS OF SECTION ONE THOUSAND
6 TWENTY-S OF THIS TITLE, THE AUTHORITY, IN ITS IMPLEMENTATION OF SUCH
7 PROGRAMS AND POLICIES, SHALL BE SUBJECT TO THE PROVISIONS OF SUBDIVISION
8 FOUR OF SECTION SIXTY-SIX-J AND SUBDIVISION FOUR OF SECTION SIXTY-SIX-L
9 OF THE PUBLIC SERVICE LAW;

10 S 4. This act shall take effect on the first of January next succeed-
11 ing the date on which it shall have become a law.