S T A T E O F N E W Y O R K

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I N A S S E M B L Y

February 14, 2014

Introduced by M. of A. PAULIN, JAFFEE, SKARTADOS, BRINDISI, TITONE, ZEBROWSKI, GUNTHER, GALEF, CRESPO, GOTTFRIED, LUPARDO, CAHILL, MOYA -- Multi-Sponsored by -- M. of A. COOK, GLICK, MAGEE, RIVERA, SCHIMEL, SCHIMMINGER, THIELE -- read once and referred to the Committee on Energy -- reported and referred to the Committee on Ways and Means -- committee discharged, bill amended, ordered reprinted as amended and recommitted to said committee

AN ACT to amend the public service law, in relation to net energy metering standards for non-residential customers with farm waste electric generating equipment

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

Section 1. Subparagraphs (vii) and (viii) of paragraph (a) of subdivision 1 of section 66-j of the public service law, subparagraph (vii) as added and subparagraph (viii) as amended by chapter 546 of the laws of 2011 and as redesignated by chapter 318 of the laws of 2012, are amended and a new subparagraph (ix) is added to read as follows:

(vii) a residential customer of an electric corporation, who owns or operates micro-hydroelectric generating equipment located and used at his or her residence; [and] (viii) a non-residential customer of an electric corporation which owns or operates micro-hydroelectric generating equipment located and used at its premises[.]; AND (IX) A NON-RESIDENTIAL CUSTOMER OF AN ELECTRIC CORPORATION WHICH OWNS OR OPERATES FARM WASTE ELECTRIC GENERATING EQUIPMENT LOCATED AND USED AT ITS PREMISES.

S 2. Subparagraph (iii) of paragraph (c) of subdivision 3 of section 66-j of the public service law, as separately amended by chapters 530 and 546 of the laws of 2011, is amended to read as follows:

(iii) In the case of a non-residential customer-generator who owns or operates solar electric generating equipment or fuel cell electric generating equipment or micro-hydroelectric generating equipment OR FARM WASTE GENERATING EQUIPMENT AS DESCRIBED IN SUBPARAGRAPH (IX) OF PARAGRAPH (A) OF SUBDIVISION ONE OF THIS SECTION, with a rated capacity of more than twenty-five kilowatts located and used at its premises, such

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

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cost shall be as determined by the electric corporation subject to review, upon the request of such customer-generator, by the department.

S 3. Subdivision 3 of section 66-j of the public service law is amended by adding a new paragraph (h) to read as follows:

(H) A NON-RESIDENTIAL CUSTOMER-GENERATOR AS DEFINED BY SUBPARAGRAPH (IX) OF PARAGRAPH (A) OF SUBDIVISION ONE OF THIS SECTION THAT LOCATES FARM WASTE GENERATING EQUIPMENT WITH A NET METER ON PROPERTY OWNED OR LEASED BY SUCH CUSTOMER-GENERATOR MAY DESIGNATE ALL OR A PORTION OF THE NET METERING CREDITS GENERATED BY SUCH EQUIPMENT TO METERS AT ANY PROPERTY OWNED OR LEASED BY SUCH CUSTOMER-GENERATOR WITHIN THE SERVICE TERRITORY OF THE SAME ELECTRIC CORPORATION TO WHICH THE CUSTOMER-GENERATOR'S NET ENERGY METERS ARE INTERCONNECTED AND BEING WITHIN THE SAME LOAD ZONE AS DETERMINED BY THE LOCATION BASED MARGINAL PRICE AS OF THE DATE OF INITIAL REQUEST BY THE CUSTOMER-GENERATOR TO CONDUCT NET METERING. THE ELECTRIC CORPORATION WILL CREDIT THE ACCOUNTS OF THE CUSTOMER BY APPLYING ANY CREDITS TO THE HIGHEST USE METER FIRST, THEN SUBSEQUENT HIGHEST USE METERS UNTIL ALL SUCH CREDITS ARE ATTRIBUTED TO THE CUSTOMER. ANY EXCESS CREDITS SHALL BE CARRIED OVER TO THE FOLLOWING MONTH.

S 4. Paragraphs (b) and (c) of subdivision 4 of section 66-j of the public service law, as amended by chapter 355 of the laws of 2009, are amended to read as follows:

(b) In the event that the amount of electricity produced by a customer-generator during the billing period exceeds the amount of electricity used by the customer-generator, the corporation shall apply a credit to the next bill for service to the customer-generator for the net electricity provided at the same rate per kilowatt hour applicable to service provided to other customers in the same service class which do not generate electricity onsite, except for micro-combined heat and power or fuel cell customer-generators OR FARM WASTE GENERATING EQUIPMENT CUSTOMER-GENERATORS AS DESCRIBED IN SUBPARAGRAPH (IX) OF PARAGRAPH (A) OF SUBDIVISION ONE OF THIS SECTION, who will be credited at the corporation's avoided costs. The avoided cost credit provided to micro-combined heat and power or fuel cell customer-generators OR FARM WASTE GENERATING EQUIPMENT CUSTOMER-GENERATORS AS DESCRIBED IN SUBPARAGRAPH (IX) OF PARAGRAPH (A) OF SUBDIVISION ONE OF THIS SECTION shall be treated for ratemaking purposes as a purchase of electricity in the market that is includable in commodity costs.

(c) At the end of the year or annualized over the period that service is supplied by means of net energy metering, the corporation shall promptly issue payment at its avoided cost to the customer-generator, as defined in subparagraph (i) [or], (ii) OR (IX) of paragraph (a) of subdivision one of this section, for the value of any remaining credit for the excess electricity produced during the year or over the annualized period by the customer-generator.

S 5. This act shall take effect immediately.