

2957

2013-2014 Regular Sessions

I N   S E N A T E

January 25, 2013

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Introduced by Sen. PARKER -- 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 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

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

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

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

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

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

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

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

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

1 the customer-generator for the net electricity supplied, AFTER DEDUCTION  
2 OF SUCH CREDITS, at the same rate per kilowatt hour applicable to  
3 service provided to other customers in the same service class which do  
4 not generate electricity on site.

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

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

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

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

45 S 3. Subdivision (h) of section 1020-g of the public authorities law,  
46 as amended by chapter 546 of the laws of 2011, is amended to read as  
47 follows:

48 (h) To implement programs and policies designed to provide for the  
49 interconnection of: (i) (A) solar electric generating equipment owned or  
50 operated by residential customers, (B) farm waste electric generating  
51 equipment owned or operated by customer-generators, (C) solar electric  
52 generating equipment owned or operated by non-residential customers, (D)  
53 micro-combined heat and power generating equipment owned, leased or  
54 operated by residential customers, (E) fuel cell electric generating  
55 equipment owned, leased or operated by residential customers, and (F)  
56 micro-hydroelectric generating equipment owned, leased or operated by

1 customer-generators and for net energy metering consistent with section  
2 sixty-six-j of the public service law, to increase the efficiency of  
3 energy end use, to shift demand from periods of high demand to periods  
4 of low demand and to facilitate the development of cogeneration; and  
5 (ii) wind electric generating equipment owned or operated by customer-  
6 generators and for net energy metering consistent with section sixty-  
7 six-l of the public service law. NOTWITHSTANDING THE PROVISIONS OF  
8 SECTION ONE THOUSAND TWENTY-S OF THIS TITLE, AS AMENDED BY CHAPTER THREE  
9 HUNDRED EIGHTY-EIGHT OF THE LAWS OF TWO THOUSAND ELEVEN, THE AUTHORITY,  
10 IN ITS IMPLEMENTATION OF SUCH PROGRAMS AND POLICIES, SHALL BE SUBJECT TO  
11 THE PROVISIONS OF SUBDIVISION FOUR OF SECTION SIXTY-SIX-J AND SUBDIVI-  
12 SION FOUR OF SECTION SIXTY-SIX-L OF THE PUBLIC SERVICE LAW;  
13 S 4. This act shall take effect on the first of January next succeed-  
14 ing the date on which it shall have become a law.