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IN SENATE

April 9, 2014

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, in relation to net energy metering

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

Section 1. Paragraph (a) of subdivision 1 of section 66-j of the public service law, as amended by chapter 546 of the laws of 2011, subparagraphs (iv) and (v) as separately amended and subparagraph (vi) as added by chapter 530 of the laws of 2011, and subparagraphs (vii) and (viii) as redesignated by chapter 318 of the laws of 2012, is amended to read as follows:

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(a) "Customer-generator" means: (i) a residential customer of an electric corporation, who owns [or], LEASES, operates, OR IS ENTITLED TO THE OUTPUT FROM OR IS OTHERWISE SERVED BY solar electric generating equipment located and used at his or her residence; (ii) a customer electric corporation, who owns [or], LEASES, operates, OR IS ENTITLED TO THE OUTPUT FROM OR IS OTHERWISE SERVED BY farm waste electric generating equipment located and used at his or her "farm operation," as such term is defined in subdivision eleven of section three hundred one of agriculture and markets law; (iii) a non-residential customer of an electric corporation which owns [or], LEASES, operates, OR THE OUTPUT FROM OR IS OTHERWISE SERVED BY solar electric generating equipment located and used at [its] premises IT OWNS OR LEASES; residential customer of an electric corporation who owns, leases [or], operates OR IS ENTITLED TO THE OUTPUT FROM OR IS OTHERWISE SERVED BY micro-combined heat and power generating equipment located customer's premises; (v) a residential customer of an electric ration who owns, leases [or], operates OR IS ENTITLED TO THE OUTPUT FROM IS OTHERWISE SERVED BY fuel cell generating equipment located on the customer's premises; and (vi) a non-residential customer of an electric corporation who owns, leases [or], operates OR IS ENTITLED TO THE OUTPUT FROM OR IS OTHERWISE SERVED BY fuel cell generating equipment located

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

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and used at [the customer's] premises IT OWNS OR LEASES; (vii) a residential customer of an electric corporation, who owns [or], LEASES, operates OR IS ENTITLED TO THE OUTPUT FROM OR IS OTHERWISE SERVED BY 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], LEASES, operates OR IS ENTITLED TO THE OUTPUT FROM OR IS OTHERWISE SERVED BY micro-hydroelectric generating equipment located and used at [its] premises IT OWNS OR LEASES.

- S 2. Paragraph (c) of subdivision 3 of section 66-j of the public service law, as amended by chapter 546 of the laws of 2011, subparagraph (iii) as separately amended by chapter 530 of the laws of 2011, is amended to read as follows:
- (c) In the event that the electric corporation determines that it is necessary to install a dedicated transformer or transformers, or other equipment to protect the safety and adequacy of electric service provided to other customers, a customer-generator shall pay the electric corporation's actual costs of installing the transformer or transformers, or other equipment:
- (i) In the case of a customer-generator who owns [or], LEASES, operates OR IS ENTITLED TO THE OUTPUT FROM OR IS OTHERWISE SERVED BY solar electric generating equipment, micro-combined heat and power generating equipment, fuel cell electric generating equipment or micro-hydroelectric generating equipment located and used at his or her residence, or a non-residential customer-generator who owns [or], LEASES, operates OR IS ENTITLED TO THE OUTPUT FROM OR IS OTHERWISE SERVED BY solar electric generating equipment with a rated capacity of not more than twenty-five kilowatts, up to a maximum amount of three hundred fifty dollars;
- (ii) In the case of a customer-generator who owns [or], operates farm waste electric generating equipment located and used at his or her "farm operation," up to a total amount of five thousand dollars per "farm operation"; and
- (iii) In the case of a non-residential customer-generator who owns [or], LEASES, operates OR IS ENTITLED TO THE OUTPUT FROM OR IS OTHERWISE SERVED BY solar electric generating equipment or fuel cell electric generating equipment or micro-hydroelectric generating equipment with a rated capacity of more than twenty-five kilowatts located and used at its premises, such cost shall be as determined by the electric corporation subject to review, upon the request of such customer-generator, by the department.
- S 3. Paragraphs (e), (f) and (g) of subdivision 3 of section 66-j of the public service law, paragraph (e) as amended by chapter 546 of the laws of 2011, paragraph (f) as added by chapter 318 of the laws of 2012, and paragraph (g) as added by chapter 200 of the laws of 2013, are amended to read as follows:
- (e) A customer who owns or operates a farm operation as such term is defined in subdivision eleven of section three hundred one of the agriculture and markets law, or a non-residential customer-generator as defined by subparagraph (iii) of paragraph (a) of subdivision one of this section that [locates] OWNS, LEASES, OPERATES OR IS ENTITLED TO THE OUTPUT FROM OR IS OTHERWISE SERVED BY solar electric generating equipment or farm waste electric generating equipment with a net energy 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

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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.

- (f) A customer who owns or operates a farm operation as such term is defined in subdivision eleven of section three hundred one of the agriculture and markets law, or a non-residential customer-generator as defined by subparagraph (viii) of paragraph (a) of subdivision one of this section that [locates] OWNS, LEASES, OPERATES OR IS ENTITLED TO THE OUTPUT FROM OR IS OTHERWISE SERVED BY micro-hydroelectric generating equipment with a net energy 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 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 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.
- (g) A customer who owns or operates a farm operation as such term is defined in subdivision eleven of section three hundred one of the agriculture and markets law, or a non-residential customer-generator as defined by subparagraph (viii) of paragraph (a) of subdivision one of this section that [locates] OWNS, LEASES, OPERATES OR IS ENTITLED TO THE OUTPUT FROM OR IS OTHERWISE SERVED BY fuel cell electric generating equipment with a net energy meter on property owned or leased by 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 request by the customer-generator to conduct net metering. The electric corporation will credit the accounts of the customer by applying any the highest use meter first, then subsequent highest use credits to meters until all such credits are attributed to the customer. Any excess credits shall be carried over to the following month.
- S 4. Paragraph (a) of subdivision 1 of section 66-l of the public service law, as amended by chapter 483 of the laws of 2008, is amended to read as follows:
- (a) "Customer-generator" means a residential customer, farm service customer or non-residential customer of an electric corporation, who owns [or], LEASES, operates, OR IS ENTITLED TO THE OUTPUT FROM OR IS OTHERWISE SERVED BY wind electric generating equipment.
 - S 5. This act shall take effect immediately.