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2013-2014 Regular Sessions

I N   S E N A T E

(PREFILED)

January 9, 2013

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Introduced by Sens. MAZIARZ, RITCHIE -- read twice and ordered printed,  
and when printed to be committed to the Committee on Energy and Tele-  
communications

AN ACT to amend the public service law, in relation to providing over-  
sight and monitoring the operations of an independent system operator

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

1     Section 1. Section 66 of the public service law is amended by adding a  
2     new subdivision 29 to read as follows:  
3     29. (A) FOR THE PURPOSES OF THIS SUBDIVISION:  
4     (I) "INDEPENDENT SYSTEM OPERATOR" SHALL MEAN ANY ENTITY OPERATING IN  
5     THE STATE THAT IS APPROVED BY THE UNITED STATES FEDERAL ENERGY REGULATO-  
6     RY COMMISSION TO OPERATE IN THE STATE TO ADMINISTER AND MONITOR WHOLE-  
7     SALE ELECTRICITY MARKETS; AND  
8     (II) "END USE SECTOR MEMBER" SHALL INCLUDE ANY ENTITY THAT PURCHASES  
9     ELECTRICITY FOR ITS OWN CONSUMPTION AND NOT FOR RESALE.  
10    (B) THE COMMISSIONER IS AUTHORIZED AND DIRECTED TO PROVIDE OVERSIGHT  
11    AND MONITOR THE MARKET OPERATIONS OF AN INDEPENDENT SYSTEM OPERATOR,  
12    INCLUDING BUT NOT LIMITED TO THE EXTENT TO WHICH IT:  
13    (I) SERVES THE NEEDS OF ALL CUSTOMER CLASSES AND OPERATES IN A MANNER  
14    THAT IS IN THE BEST INTEREST OF THE PUBLIC;  
15    (II) ENSURES RELIABILITY, QUALITY AND MAINTENANCE OF THE TRANSMISSION  
16    SYSTEM;  
17    (III) MEETS THE REQUIREMENTS OF THE NEW YORK STATE OPEN MEETING LAWS;  
18    AND  
19    (IV) CONTRIBUTES TO THE ACHIEVEMENT OF ENERGY EFFICIENCY AND FUEL  
20    DIVERSITY GOALS OF THE STATE.  
21    (C) THE COMMISSION SHALL ENSURE THAT AN INDEPENDENT SYSTEM OPERATOR  
22    OPERATE IN A MANNER TO PREVENT MARKET MANIPULATION AND OPPORTUNITIES FOR  
23    COLLUSION BY REQUIRING AN INDEPENDENT SYSTEM OPERATOR TO DISCLOSE PRICE  
24    DATA RELATED TO ITS WHOLESALE MARKET OPERATIONS INCLUDING, BUT NOT  
25    LIMITED TO, INFORMATION ON REAL-TIME, DAY-AHEAD AND SPOT MARKET BIDS AND  
26    BIDDERS IN AN INDEPENDENT SYSTEM OPERATOR'S WHOLESALE ELECTRICITY MARKET

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

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1 AUCTIONS, TRANSMISSION CONGESTION CONTRACT AUCTIONS AND INSTALLED CAPAC-  
2 ITY MARKET AUCTIONS TO BE MADE PUBLIC WITH NO MORE THAN A THREE MONTH  
3 DELAY. SUCH INFORMATION SHALL BE MADE IN A FORMAT READILY AVAILABLE AND  
4 ACCESSIBLE TO THE PUBLIC INCLUDING, BUT NOT LIMITED TO PROVIDING SUCH  
5 DATA IN AGGREGATE HOURLY, DAILY, MONTHLY, ANNUAL AND HISTORICAL DATA  
6 SETS FOR COMPARISON PURPOSES AS WELL AS DATA RELATED TO SEASONAL AND  
7 PEAK LOAD VARIATIONS AND AVERAGES.

8 (D) THE COMMISSION SHALL ENSURE ACCOUNTABILITY BY REQUIRING THAT AN  
9 INDEPENDENT SYSTEM OPERATOR'S BOARD OF DIRECTORS INCLUDES AT LEAST THREE  
10 NON-GOVERNMENTAL APPOINTMENTS THAT DIRECTLY REPRESENT THE INTERESTS OF  
11 RESIDENTIAL SMALL BUSINESS AND FARM ELECTRICITY USERS. THE GOVERNOR,  
12 THE SPEAKER OF THE ASSEMBLY AND THE TEMPORARY PRESIDENT OF THE SENATE  
13 SHALL EACH APPOINT ONE REPRESENTATIVE TO THE BOARD.

14 (E) THE COMMISSION SHALL REQUIRE AN INDEPENDENT SYSTEM OPERATOR TO  
15 CREATE THE POSITION OF CONSUMER LIAISON WHOSE PRIMARY ROLE SHALL BE TO  
16 INTERACT WITH MEMBERS OF THE END-USE SECTOR FOR THE PURPOSES OF:

17 (I) KEEPING END-USE SECTOR MEMBERS INFORMED ABOUT DEVELOPMENTS IN  
18 WORKING GROUPS/SUB-COMMITTEES THAT MAY AFFECT THEIR INTERESTS;

19 (II) EXPLAINING THE ISSUES AND PROPOSALS UNDER DISCUSSION AT THE WORK-  
20 ING GROUP/SUB-COMMITTEE MEETINGS AND PROPOSED FOR CONSIDERATION AT THE  
21 OPERATING COMMITTEE, BUSINESS ISSUES COMMITTEE AND MANAGEMENT COMMITTEE  
22 AS WELL AS THE RAMIFICATIONS OF THOSE PROPOSALS ON CONSUMERS;

23 (III) LISTENING AND RESPONDING TO THE QUESTIONS AND CONCERNS OF  
24 MEMBERS OF THE END-USE SECTOR; AND

25 (IV) SERVING AS THE LIAISON BETWEEN THE END-USE SECTOR AND THE DIREC-  
26 TORS DESIGNATED OR ASSIGNED TO PAY PARTICULAR ATTENTION TO THE INTERESTS  
27 OF THE RESIDENTIAL, SMALL BUSINESS AND FARM ELECTRICITY USERS.

28 (F) THE COMMISSIONER SHALL ANNUALLY ISSUE A REPORT RELATING THE MARKET  
29 OPERATION OF AN INDEPENDENT SYSTEM OPERATOR. SUCH REPORTS SHALL  
30 INCLUDE, BUT NOT BE LIMITED TO:

31 (I) ANALYSES BY AN INDEPENDENT SYSTEM OPERATOR AND OTHER SUCH DATA  
32 COLLECTED AND ANALYZED BY THE COMMISSION INFORMATION ON REAL-TIME,  
33 HOUR-AHEAD AND DAY-AHEAD MARKET BIDS AND BIDDERS IN AN INDEPENDENT  
34 SYSTEM OPERATOR'S WHOLESALE ELECTRICITY MARKET AUCTIONS, TRANSMISSION  
35 CONGESTION CONTRACT AUCTIONS AND INSTALLED MARKET AUCTIONS;

36 (II) A DETERMINATION OF THE EXTENT TO WHICH THE ENERGY MARKETS ARE  
37 MAINTAINING NECESSARY LEVELS OF RELIABILITY;

38 (III) A DETERMINATION OF WHETHER OR NOT ALL CUSTOMER CLASSES ARE BEING  
39 ADEQUATELY SERVED BY COMPETITIVE ENERGY MARKETS;

40 (IV) A DETERMINATION OF THE COMPETITIVENESS OF ENERGY MARKETS; INCLUD-  
41 ING A DETERMINATION WHETHER OR NOT THE ELECTRIC INDUSTRY IS PROVIDING  
42 CONSUMERS WITH THE LOWEST PRICES POSSIBLE WITHIN A RESTRUCTURED, COMPET-  
43 ITIVE RETAIL MARKETPLACE;

44 (V) A DETERMINATION OF THE EXTENT TO WHICH THE ENERGY MARKETS ARE  
45 ACHIEVING THE ENERGY EFFICIENCY AND FUEL DIVERSITY GOALS OF THE STATE;

46 (VI) THE NAME AND TERMS OF THE BOARDS OF DIRECTORS AND AN INDEPENDENT  
47 SYSTEM OPERATOR MANAGEMENT, OPERATING AND BUSINESS COMMITTEE MEMBERS;

48 (VII) AN INDEPENDENT SYSTEM OPERATOR'S FINANCIAL INFORMATION; AND

49 (VIII) RECOMMENDATIONS FOR IMPROVING ANY DEFICIENCIES SO IDENTIFIED IN  
50 ELECTRICITY ENERGY MARKETS, INCLUDING NON-COMPETITIVE PRICING SITU-  
51 ATIONS. THE COMMISSION SHALL SUBMIT SUCH REPORT TO THE GOVERNOR, THE  
52 PRESIDENT PRO TEM OF THE SENATE, THE SPEAKER OF THE ASSEMBLY, THE MINOR-  
53 ITY LEADERS OF THE SENATE AND THE ASSEMBLY, THE CHAIRS OF THE ENERGY  
54 COMMITTEES OF THE SENATE AND THE ASSEMBLY, NO LATER THAN APRIL FIRST,  
55 TWO THOUSAND FOURTEEN AND ANNUALLY THEREAFTER.

56 S 2. This act shall take effect immediately.