

3613--A

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2015-2016 Regular Sessions

I N S E N A T E

February 13, 2015

Introduced by Sen. GRIFFO -- read twice and ordered printed, and when printed to be committed to the Committee on Energy and Telecommunications -- reported favorably from said committee, ordered to first and second report, ordered to a third reading, amended and ordered reprinted, retaining its place in the order of third reading

AN ACT to amend the energy law, in relation to energy technologies eligible for net metering

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

1 Section 1. Section 9-102 of the energy law is amended by adding a new
2 subdivision 5 to read as follows:
3 5. "POWER PURCHASE AGREEMENT" MEANS AN AGREEMENT IN CONNECTION WITH
4 THE INSTALLATION, MAINTENANCE AND MANAGEMENT OF AN ENERGY TECHNOLOGY
5 ELIGIBLE FOR NET ENERGY METERING PURSUANT TO SECTION SIXTY-SIX-J OR
6 SIXTY-SIX-L OF THE PUBLIC SERVICE LAW, WHERE A THIRD PARTY OWNER (NON-A-
7 GENCY OR NON-MUNICIPAL OWNER) GENERATES ELECTRICITY FROM SUCH ENERGY
8 TECHNOLOGY (WHETHER OR NOT SUCH ENERGY TECHNOLOGY IS LOCATED AT THE
9 POINT OF CONSUMPTION) AND SELLS THE RESULTING ELECTRICITY TO AN AGENCY
10 OR MUNICIPALITY FOR A PRICE, VOLUME AND DURATION AS SET FORTH IN THE
11 AGREEMENT.
12 S 2. The energy law is amended by adding a new section 9-104 to read
13 as follows:
14 S 9-104. POWER PURCHASE AGREEMENTS. 1. NOTWITHSTANDING ANY OTHER
15 PROVISION OF LAW, ANY SCHOOL DISTRICT OR BOARD OF COOPERATIVE EDUCA-
16 TIONAL SERVICES, IN ADDITION TO EXISTING POWERS, IS AUTHORIZED TO ENTER
17 INTO POWER PURCHASE AGREEMENTS, OF UP TO THIRTY-FIVE YEARS DURATION,
18 PROVIDED THAT THE DURATION OF ANY SUCH CONTRACT SHALL NOT EXCEED THE
19 REASONABLY EXPECTED USEFUL LIFE OF THE ENERGY FACILITIES OR EQUIPMENT
20 SUBJECT TO SUCH AGREEMENT.

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

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1 2. ANY PAYMENT DUE FROM A SCHOOL DISTRICT OR A BOARD OF COOPERATIVE
2 EDUCATIONAL SERVICES UNDER A POWER PURCHASE AGREEMENT SHALL BE AN ORDI-
3 NARY CONTINGENT EXPENSE.

4 3. SCHOOL DISTRICTS AND BOARDS OF COOPERATIVE EDUCATIONAL SERVICES ARE
5 ENCOURAGED TO CONSULT WITH AND SEEK ADVICE AND ASSISTANCE FROM THE NEW
6 YORK STATE ENERGY RESEARCH AND DEVELOPMENT AUTHORITY CONCERNING POWER
7 PURCHASE AGREEMENTS.

8 4. IN ORDER TO CONVEY AN INTEREST IN REAL PROPERTY NECESSARY FOR THE
9 CONSTRUCTION OF FACILITIES OR THE OPERATION OF EQUIPMENT PROVIDED FOR IN
10 A POWER PURCHASE AGREEMENT, ANY SCHOOL DISTRICT OR BOARD OF COOPERATIVE
11 EDUCATIONAL SERVICES MAY ENTER INTO A LEASE OR LICENSE OF SUCH REAL
12 PROPERTY TO WHICH IT HOLDS TITLE OR WHICH IS UNDER ITS ADMINISTRATIVE
13 JURISDICTION AS IS NECESSARY FOR SUCH CONSTRUCTION OR OPERATION, WITH A
14 POWER PURCHASE AGREEMENT, FOR THE SAME LENGTH OF TIME AS THE TERM OF
15 SUCH POWER PURCHASE AGREEMENT, ON SUCH TERMS AND CONDITIONS AS MAY BE
16 AGREEABLE TO THE PARTIES THERETO, AND SUBJECT TO THE VOTER REFERENDUM IN
17 SCHOOL DISTRICTS IN WHICH THE VOTERS APPROVE THE BUDGET PURSUANT TO
18 ARTICLE FORTY-ONE OF THE EDUCATION LAW.

19 5. SECTIONS ONE HUNDRED THREE AND ONE HUNDRED NINE-B OF THE GENERAL
20 MUNICIPAL LAW SHALL APPLY TO THE PROCUREMENT OR ACQUISITION OF A POWER
21 PURCHASE AGREEMENT AS CONTEMPLATED BY THIS SECTION.

22 6. THE COMMISSIONER OF EDUCATION IS AUTHORIZED TO DEVELOP RULES AND
23 REGULATIONS CONCERNING THE PROCESS FOR ISSUING BUILDING PERMITS AND
24 OPERATIONAL SAFETY IN RELATION TO THE INSTALLATION AND OPERATION OF
25 ENERGY TECHNOLOGIES ELIGIBLE FOR NET ENERGY METERING PURSUANT TO SECTION
26 SIXTY-SIX-J OR SIXTY-SIX-L OF THE PUBLIC SERVICE LAW.

27 S 3. This act shall take effect immediately.