

3096

2015-2016 Regular Sessions

I N A S S E M B L Y

January 22, 2015

Introduced by M. of A. ENGLEBRIGHT, RUSSELL -- read once and referred to the Committee on Energy

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, paragraphs (b) and (c) as
3 amended by chapter 494 of the laws of 2014, is amended to read as
4 follows:

5 4. Rates. An electric corporation shall use net energy metering to
6 measure and charge for the net electricity supplied by the corporation
7 and provided to the corporation by a customer-generator, according to
8 these requirements:

9 (a) In the event that the amount of electricity supplied by the corpo-
10 ration during the billing period exceeds the amount of electricity
11 provided by a customer-generator, the corporation shall, AFTER DEDUCT-
12 ING, FROM THE AGGREGATE OF UNUSED CREDIT FOR EXCESS ELECTRICITY GENER-
13 ATED BY SUCH CUSTOMER-GENERATOR PRIOR TO SUCH BILLING PERIOD, AN AMOUNT
14 OF CREDIT EQUAL TO THE AMOUNT OF ELECTRICITY SUPPLIED BY THE ELECTRIC
15 CORPORATION, TO THE EXTENT SUCH CREDIT EXISTS, AND MAY THEREAFTER charge
16 the customer-generator for the net electricity supplied, AFTER DEDUCTION
17 OF SUCH CREDITS, at the same rate per kilowatt hour applicable to
18 service provided to other customers in the same service class which do
19 not generate electricity onsite.

20 (b) In the event that the amount of electricity produced by a custom-
21 er-generator during the billing period exceeds the amount of electricity
22 used by the customer-generator, the corporation shall (I) apply a credit
23 to the next bill for service to the customer-generator for the net elec-
24 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 or farm waste generating
8 equipment customer-generators as described in subparagraph (ix) of para-
9 graph (a) of subdivision one of this section, who will be credited at
10 the corporation's avoided costs. The avoided cost credit provided to
11 micro-combined heat and power or fuel cell customer-generators or farm
12 waste generating equipment customer-generators as described in subpara-
13 graph (ix) of paragraph (a) of subdivision one of this section shall be
14 treated for ratemaking purposes as a purchase of electricity in the
15 market that is includable in commodity costs.

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 the customer-generator, as
19 defined in subparagraph (i), (ii), (IV), (V) or (ix) of paragraph (a) of
20 subdivision one of this section, for the value of any remaining credit
21 for the excess electricity produced during the year or over the annual-
22 ized period by the customer-generator, OR (II) AT THE OPTION OF THE
23 CUSTOMER-GENERATOR, SHALL CONTINUE TO AGGREGATE SUCH CREDITS, AT THE
24 SAME RATE PER KILOWATT HOUR APPLICABLE TO THE SERVICE PROVIDED TO OTHER
25 CUSTOMERS IN THE SAME SERVICE CLASS WHICH DO NOT GENERATE ELECTRICITY ON
26 SITE, FOR AN INDEFINITE PERIOD OF TIME AND CONTINUE TO ALLOW USE OF SUCH
27 CREDIT TO OFFSET ANY LIABILITY OF THE CUSTOMER-GENERATOR TO THE ELECTRIC
28 CORPORATION DURING BILLING PERIODS IN WHICH THE ELECTRICITY GENERATED BY
29 THE CUSTOMER-GENERATOR IS LESS THAN THAT USED BY SUCH 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, AS DEFINED IN SUBPARAGRAPH (I), (II), (IV) OR (V) OF PARAGRAPH (A)
44 OF SUBDIVISION ONE OF THIS SECTION, FOR THE VALUE OF ANY REMAINING CRED-
45 IT FOR THE EXCESS ELECTRICITY PRODUCED BY THE CUSTOMER-GENERATOR.

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

50 4. Rates. An electric corporation shall use net energy metering to
51 measure and charge for the net electricity supplied by the corporation
52 and provided to the corporation by a customer-generator, according to
53 the following requirements:

54 (a) In the event that the amount of electricity supplied by the corpo-
55 ration during the billing period exceeds the amount of electricity
56 provided by a customer-generator, the corporation shall, AFTER DEDUCT-

1 ING, FROM THE AGGREGATE OF UNUSED CREDIT FOR EXCESS ELECTRICITY GENER-
2 ATED BY SUCH CUSTOMER-GENERATOR PRIOR TO SUCH BILLING PERIOD, AN AMOUNT
3 OF CREDIT EQUAL TO THE AMOUNT OF ELECTRICITY SUPPLIED BY THE ELECTRIC
4 CORPORATION, TO THE EXTENT SUCH CREDIT EXISTS, AND MAY THEREAFTER charge
5 the customer-generator for the net electricity supplied, AFTER DEDUCTION
6 OF SUCH CREDITS, at the same rate per kilowatt hour applicable to
7 service provided to other customers in the same service class which do
8 not generate electricity on site.

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

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

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

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

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

52 (h) To implement programs and policies designed to provide for the
53 interconnection of: (i) (A) solar electric generating equipment owned or
54 operated by residential customers, (B) farm waste electric generating
55 equipment owned or operated by customer-generators, (C) solar electric
56 generating equipment owned or operated by non-residential customers, (D)

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