

# STATE OF NEW YORK

1705--B

2017-2018 Regular Sessions

## IN ASSEMBLY

January 12, 2017

Introduced by M. of A. WOERNER, HUNTER, JONES, McDONALD, GALEF, FAHY, THIELE, PICHARDO, WILLIAMS, ENGLEBRIGHT, ZEBROWSKI, SKOUFIS, SANTABARBARA, M. G. MILLER, WALKER, MORELLE, COOK, D'URSO, ORTIZ, SIMON, RAIA, BARRON, GUNTHER -- Multi-Sponsored by -- M. of A. BUCHWALD, WRIGHT -- read once and referred to the Committee on Energy -- committee discharged, bill amended, ordered reprinted as amended and recommitted to said committee -- recommitted to the Committee on Energy in accordance with Assembly Rule 3, sec. 2 -- committee discharged, bill amended, ordered reprinted as amended and recommitted to said committee

AN ACT to amend the public service law, in relation to establishing the New York state clean energy tech production program

The People of the State of New York, represented in Senate and Assembly, do enact as follows:

Section 1. The public service law is amended by adding a new section 66-p to read as follows:

§ 66-p. New York state clean energy tech production program. 1. The commission shall, within forty-five days of the effective date of this section, commence a proceeding to establish a self-directed program for its industrial, commercial and large energy users, in order to stimulate the growth and adoption of more efficient use of energy, greater use of advanced energy management products, deeper penetration of renewable energy resources such as wind, solar, geothermal, renewable biomass or biogas and anaerobic digestion, wider deployment of "distributed" energy resources, such as micro grids, roof-top solar, fuel cells and other on-site power supplies, and energy storage.

2. The commission, in collaboration with the utilities and large industrial customers, shall develop, oversee and issue guidelines establishing rules and principles for the self-directed program which shall include the following elements:

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

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1 (a) A program structure that allows industrial, commercial and large  
2 users to treat their existing and future clean energy surcharges;  
3 including, but not limited to, surcharges to support the clean energy  
4 fund, the system benefits charge, the renewable portfolio standard, the  
5 energy efficiency portfolio standard and energy efficiency transition  
6 implementation plans as dedicated funds for energy efficiency, greater  
7 use of advanced energy management products, deeper penetration of renew-  
8 able energy resources such as wind, solar, geothermal, and anaerobic  
9 digestion, wider deployment of "distributed" energy resources, such as  
10 micro grids, roof-top solar, fuel cells and other on-site power  
11 supplies, and energy storage through an energy savings account.

12 (b) The self-directed program shall be available to all individual  
13 customers with a thirty-six month average demand of two megawatts or  
14 greater as well as customers with an aggregated thirty-six month average  
15 demand of four megawatts or greater as long as one or more of the  
16 accounts being aggregated by the customer has at least a thirty-six  
17 month average demand of one megawatt.

18 (c) A mechanism to recoup paid funds from self-directed customers if  
19 it is determined that funds contained in the energy savings account were  
20 utilized erroneously or if planned energy efficiency or other projects  
21 permitted herein did not actually occur.

22 (d) A requirement that after seven years any unused surcharges  
23 contained in the energy saving account shall be made available for  
24 original purposes of the surcharge.

25 (e) A requirement to collect and establish self-directed customers'  
26 baseline energy use data.

27 (f) A method to measure and verify all claimed energy objectives,  
28 using the same standards for data collection as other existing and  
29 future clean energy surcharges.

30 (g) Offering self-directed customers multi-year time frames greater  
31 than thirty-five months in which to expend aggregated energy efficiency  
32 fees.

33 (h) A means to calculate energy optimization established by the  
34 commission and based on annual electricity usage, provided that:

35 (1) annual electricity usage shall be normalized so that neither of  
36 the following are included in the calculation of the percentage of  
37 incremental energy savings: (i) changes in electricity usage because of  
38 changes in business activity levels not attributable to energy optimiza-  
39 tion; (ii) changes in electricity usage because of the installation,  
40 operation, or testing of pollution control equipment.

41 (2) savings may also be calculated on the average number of megawatt  
42 hours of electricity sold by the electric provider annually during the  
43 previous three years to retail customers in this state.

44 (i) The self-directed customer must develop a self-directed optimiza-  
45 tion plan. Such plan shall outline how the customer intends to achieve  
46 the goals of the self-directed program.

47 (j) A customer implementing a self-directed energy optimization plan  
48 shall provide a brief report biannually documenting the measures taken  
49 to meet the goals of the self-directed program. The report shall provide  
50 sufficient information for the utilities and the commission to monitor  
51 progress toward the goals in the self-directed plan and to develop reli-  
52 able estimates of the energy savings, renewable power generated and/or  
53 the deployment of distributed energy resources that are being achieved  
54 from self-directed plans.

55 (k) Participants will have the opportunity to self-direct all of their  
56 own contributions otherwise recovered through surcharges to qualifying

1 projects, provided, however, that a portion of the contributions, equal  
2 to no more than one percent, is allocated to support program adminis-  
3 tration and evaluation, measurement and verification.

4 (l) A mechanism to provide that measures taken by self-directed  
5 customers, to meet the goals of the self-directed program, should be  
6 accredited to the appropriate program goals of the utility and/or load  
7 serving entity of the self-directed customer. Nothing contained in this  
8 section shall be construed as transferring the obligations of one  
9 customer class to another customer class.

10 (m) A requirement that self-direct customers match seven and one-half  
11 percent of self-directed energy optimization plan total costs provided  
12 such matching contribution may be in the form of a financial and/or in  
13 kind contribution.

14 3. The commission shall provide an annual report on or before the  
15 first day of January to the governor, the temporary president of the  
16 senate, the speaker of the assembly, the minority leader of the senate  
17 and the minority leader of the assembly, on the clean energy tech  
18 production program.

19 § 2. This act shall take effect immediately.