

# STATE OF NEW YORK

1225

2017-2018 Regular Sessions

## IN SENATE

January 6, 2017

Introduced by Sens. GRIFFO, CARLUCCI, CROCI, FUNKE, LITTLE, RITCHIE --  
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 establishing the  
New York state clean energy tech production program

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

1 Section 1. The public service law is amended by adding a new section  
2 66-o to read as follows:

3 § 66-o. New York state clean energy tech production program. 1. (a)  
4 The commission shall, within forty-five days of the effective date of  
5 this section, commence a proceeding to establish a self-directed program  
6 for its industrial, commercial and large users, in order to stimulate  
7 the growth and adoption of more efficient use of energy, greater use of  
8 advanced energy management products, deeper penetration of renewable  
9 energy resources such as wind, solar, geothermal, and anaerobic  
10 digestion, wider deployment of "distributed" energy resources, such as  
11 micro grids, roof-top solar, fuel cells and other on-site power  
12 supplies, and storage.

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

17 (a) A program structure that allows industrial, commercial and large  
18 users to treat their existing and future clean energy surcharges;  
19 including, but not limited to, surcharges to support the clean energy  
20 fund, the system benefits charge, the renewable portfolio standard, the  
21 energy efficiency portfolio standard and energy efficiency transition  
22 implementation plans as dedicated funds for energy efficiency, greater  
23 use of advanced energy management products, deeper penetration of renew-  
24 able energy resources such as wind, solar, geothermal, and anaerobic  
25 digestion, wider deployment of "distributed" energy resources, such as  
26 micro grids, roof-top solar, fuel cells and other on-site power  
27 supplies, and storage through an energy savings account.

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

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1 (b) The self-directed program shall be available to all individual  
2 customers with a thirty-six month average demand of two megawatts or  
3 greater as well as customers with an aggregated thirty-six month average  
4 demand of four megawatts or greater as long as one or more of the  
5 accounts being aggregated by the customer has at least a thirty-six  
6 month average demand of one megawatt.

7 (c) A mechanism to recoup paid funds from self-directed customers if  
8 it is determined that funds contained in the energy savings account were  
9 utilized erroneously or if planned energy efficiency savings did not  
10 actually occur.

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

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

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

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

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

24 (1) annual electricity usage shall be normalized so that neither of  
25 the following are included in the calculation of the percentage of  
26 incremental energy savings: (i) changes in electricity usage because of  
27 changes in business activity levels not attributable to energy optimiza-  
28 tion; (ii) changes in electricity usage because of the installation,  
29 operation, or testing of pollution control equipment.

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

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

36 (j) A customer implementing a self-directed energy optimization plan  
37 shall provide a brief report biannually documenting the measures taken  
38 to meet the goals of the self-directed program. The report shall provide  
39 sufficient information for the utilities and the commission to monitor  
40 progress toward the goals in the self-directed plan and to develop reli-  
41 able estimates of the energy savings, renewable power generated and/or  
42 the deployment of distributed energy resources that are being achieved  
43 from self-directed plans.

44 (k) Participants will have the opportunity to self-direct a majority  
45 of their own contributions to qualifying projects, provided, however,  
46 that a portion of the contributions, equal to no more than one percent,  
47 is allocated to support program administration and evaluation, measure-  
48 ment and verification.

49 3. The commission shall provide an annual report on or before the  
50 first day of January to the governor, the temporary president of the  
51 senate, the speaker of the assembly, the minority leader of the senate  
52 and the minority leader of the assembly, on the clean energy tech  
53 production program.

54 § 2. This act shall take effect immediately.