

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 Assembly, 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' baseline energy use data.

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

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

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

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

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

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

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

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

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

52 § 2. This act shall take effect immediately.