STATE OF NEW YORK

7318--A

Cal. No. 46

IN SENATE

January 5, 2018

Introduced by Sen. GRIFFO -- read twice and ordered printed, and when printed to be committed to the Committee on Rules -- reported favorably from said committee, ordered to a third reading, passed by Senate, vote reconsidered, restored to third reading, amended and ordered reprinted, retaining its place in the order of third reading

AN ACT to amend the public service law and the public authorities law, in relation to establishing the energy storage deployment policy

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

Section 1. Section 74 of the public service law, as added by chapter 415 of the laws of 2017, is amended to read as follows:

§ 74. Energy storage deployment [~~program~~] **policy**. 1. [~~(a)~~] As used in this section "qualified energy storage system" shall mean commercially available technology that is capable of absorbing energy, storing it for a period of time, and thereafter dispatching the energy[~~. A qualified energy storage system shall be cost-effective and either assist the integration of variable energy resources, reduce emissions of greenhouse gases, reduce demand for peak electrical generation, defer or substitute for an investment in generation, transmission, or distribution assets, or improve the reliable operation of the electrical transmission or distribution grid.~~

~~(b) A qualified energy storage system shall do one or more of the following: (i) use~~] **using** mechanical, chemical, or thermal processes to store energy that was generated at one time for use at a later time[~~; (ii) store thermal energy for direct use for heating or cooling at a later time in a manner that avoids the need to use electricity at that later time; (iii) use mechanical, chemical, or thermal processes to store energy generated from renewable resources for use at a later time; or (iv) use mechanical, chemical, or thermal processes to store energy generated from mechanical processes that would otherwise be wasted for delivery at a later time~~].

2. [~~Within ninety days of the effective date of this section, the commission shall commence a proceeding to establish the energy storage deployment program to encourage the installation of qualified energy~~

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

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~~storage systems. No later than January first, two thousand eighteen, the commission shall make a determination establishing a target for the installation of qualified energy storage systems to be achieved through two thousand thirty and programs that will enable the state to meet such target. The commission shall consult with the New York state energy research and development authority and the Long Island power authority in the preparation of such determination.~~] By December thirty-first, two thousand eighteen, the commission shall, in consultation with the New York state energy research and development authority and the Long Island power authority, after a hearing held on notice, establish by order, rules and regulations, both a two thousand thirty energy storage goal for the state and a deployment policy to support that goal. The [~~determination~~] energy storage deployment policy shall include the following:

(a) [~~The creation of the energy storage deployment program to be administered by the New York state energy research and development authority and the Long Island power authority;~~

~~(b) Estimated annual expenditures associated with the program for each year commencing with calendar year two thousand eighteen and continuing through calendar year two thousand thirty;~~

~~(c) Program designs that take the following into consideration:~~

~~(1)~~] avoided or deferred costs associated with transmission, distribution, [~~and/or~~] or generation capacity;

[~~(2)~~] (b) minimization of peak load in constrained areas; [~~and~~

~~(3)~~] (c) systems that are connected to customer facilities and systems that are directly connected to transmission and distribution facilities;

(d) cost-effectiveness;

(e) assisting the integration of variable-output energy resources;

(f) reducing emissions of greenhouse gases;

(g) reducing demand for peak electrical generation; and

(h) improving the reliable operation of the electrical transmission or distribution systems;

(i) Annual reports on the achievements and effectiveness of the [~~program~~] policy to be submitted to the governor, the temporary president of the senate, and the speaker of the assembly; and

[~~(e)~~] (j) Such other issues deemed appropriate by the commission.

§ 2. Section 1020-ii of the public authorities law, as added by chapter 415 of the laws of 2017, is amended to read as follows:

§ 1020-ii. Energy storage deployment [~~program~~] policy. The authority shall encourage the installation of qualified energy storage systems in its service territory through implementation of the energy storage deployment [~~program~~] policy as set forth and defined in section seventy-four of the public service law.

§ 3. This act shall take effect immediately.