

# STATE OF NEW YORK

5872

2019-2020 Regular Sessions

## IN SENATE

May 16, 2019

Introduced by Sen. METZGER -- 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 and the public authorities law, in relation to establishing a renewable electricity compliance program and renewable energy procurements

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. Establishment of a renewable electricity compliance program.

1. As used in this section:

(a) "load serving entity" means any entity that secures energy to serve the electrical energy requirements of end-use customers in New York state and includes the distribution companies, energy services companies, municipal utilities, the Long Island power authority, and the New York power authority.

(b) "qualified renewable energy systems" means systems that generate electricity or thermal energy through use of the following technologies: photovoltaics, wind, hydroelectric, geothermal electric, geothermal ground source heat, solar thermal, tidal energy, wave energy, ocean thermal, or fuel cells which do not utilize a fossil fuel resource in the process of generating electricity, and is either located in the state of New York or located in a control area adjacent to the New York independent system operator control area and accompanied by documentation of a contract path between the generator and the in-state purchaser that includes transmission rights.

(c) "renewable energy credits" or "RECs" represent the environmental attributes of the electricity produced from qualified renewable energy projects and can be sold separately from the electricity itself. One REC

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

LBD11692-01-9

1 is generated for every megawatt hour of electricity produced by a quali-  
2 fied renewable energy system.

3 2. No later than January first, two thousand twenty, the commission  
4 shall establish a program to require that a minimum of seventy percent  
5 of the electricity secured by load serving entities for all end-use  
6 customers in New York state in two thousand thirty shall be generated by  
7 renewable energy systems.

8 3. The commission shall set biennial minimum percentages for the  
9 program pursuant to the following schedule, and by December thirty-first  
10 of the year specified all load-serving entities must comply with the  
11 below percentages of the electricity they secure for end-use customers:

12 (a) 2020: 30% from renewable energy systems;

13 (b) 2022: 38% from renewable energy systems;

14 (c) 2024: 46% from renewable energy systems;

15 (d) 2026: 54% from renewable energy systems;

16 (e) 2028: 62% from renewable energy systems; and

17 (f) 2030: 70% from renewable energy systems.

18 4. Specifically, all load serving entities are required to comply with  
19 the above percentages by purchasing RECs, either from qualified renewa-  
20 ble energy projects directly or from the New York energy research and  
21 development authority through their annual sales of the RECs they  
22 acquire from qualified renewable energy systems via net-metering, the  
23 value of distributed energy resources program, or long-term REC  
24 contracts.

25 5. If a load serving entity fails to comply with the above percentages  
26 of the electricity they secure for end-use customers coming from quali-  
27 fied renewable energy projects in any given year, they will be required  
28 to pay an alternative compliance payment, which shall be set at one  
29 hundred twenty-five percent of the previous year's New York energy  
30 research and development authority REC sale price multiplied by the  
31 number of RECs they are short of the requirement. Load serving entities  
32 shall be permitted to use any extra RECs they purchase above their  
33 requirement in a given year for meeting their compliance requirement in  
34 the subsequent two years.

35 6. As part of this program, the commission shall also:

36 (a) Set a minimum requirement of six thousand megawatts alternating  
37 current of distributed solar to be in commercial operation in the state  
38 by December thirty-first, two thousand twenty-five, and shall consider  
39 this requirement in all decisions on net-metering, the value of distrib-  
40 uted energy resources, and any other related matters.

41 (b) Set a minimum requirement of nine thousand megawatts alternating  
42 current of offshore wind to be in commercial operation serving the state  
43 by two thousand thirty-five.

44 (c) Set the requirement for one hundred eighty-five trillion British  
45 thermal units of customer-level energy reduction state wide by two thou-  
46 sand twenty-five, with thirty-one trillion British thermal units coming  
47 from an increase in utility-leveraged energy efficiency investments.

48 § 2. The public authorities law is amended by adding a new section  
49 1884 to read as follows:

50 § 1884. Establishment of renewable energy procurements. 1. No later  
51 than January first, two thousand twenty, the authority shall establish a  
52 program to conduct annual procurements through two thousand thirty for  
53 large scale solar and on-shore wind projects to enter into long-term  
54 renewable energy credit contracts, indexed renewable energy credit  
55 contracts, or bundled contracts, and also publish a schedule of the

1 planned procurement amounts and the timing for the coming three years  
2 updated annually.

3 2. For the purposes of this section, "renewable energy credit" shall  
4 be defined as in section sixty-six-p of the public service law.

5 § 3. This act shall take effect immediately.