STATE OF NEW YORK

10268--A

IN ASSEMBLY

April 8, 2020

Introduced by M. of A. CUSICK -- read once and referred to the Committee on Energy -- committee discharged, bill amended, ordered reprinted as amended and recommitted to said committee

AN ACT to amend the public service law, in relation to net energy metering for fuel-flexible linear generator electric generating equipment

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

Section 1. Subdivision 2-b of section 2 of the public service law, as amended by chapter 6 of the laws of 2011, is amended to read as follows:

2-b. The term "alternate energy production facility," when used in this chapter, includes any solar, wind turbine, fuel cell, **fuel-flexible linear generator electric generating equipment,** tidal, wave energy, waste management resource recovery, refuse-derived fuel, wood burning facility, or energy storage device utilizing batteries, flow batteries, flywheels or compressed air, together with any related facilities located at the same project site, with an electric generating capacity of up to eighty megawatts, which produces electricity, gas or useful thermal energy.

§ 2. The section heading of section 66-j of the public service law, as amended by chapter 546 of the laws of 2011, is amended to read as follows:

Net energy metering for residential solar, farm waste, non-residential solar electric generating systems, micro-combined heat and power generating equipment, fuel cell electric generating equipment, **fuel-flexible linear generator electric generating equipment,** and micro-hydroelectric generating equipment.

§ 3. Subparagraphs (v) and (vi) of paragraph (a) of subdivision 1 of section 66-j of the public service law, subparagraph (v) as separately amended by chapters 530 and 546 of the laws of 2011 and subparagraph (vi) as added by chapter 530 of the laws of 2011, are amended to read as follows:

(v) a residential customer of an electric corporation who owns, leases or operates fuel cell generating equipment **or fuel-flexible linear generator electric generating equipment** located on the customer's prem-

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

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ises; and (vi) a non-residential customer of an electric corporation who owns, leases or operates fuel cell generating equipment **or fuel-flexible linear generator electric generating equipment** located and used at the customer's premises;

§ 4. Paragraph (f) of subdivision 1 of section 66-j of the public service law, as added by chapter 355 of the laws of 2009, is amended to read as follows:

(f) "Micro-combined heat and power generating equipment" means an integrated, cogenerating building heating and electrical power generation system, operating on any fuel and of any applicable engine, fuel cell, **linear generator,** or other technology, with a rated capacity of at least one kilowatt and not more than ten kilowatts electric and any thermal output that at full load has a design total fuel use efficiency in the production of heat and electricity of not less than eighty percent, and annually produces at least two thousand kilowatt hours of useful energy in the form of electricity that may work in combination with supplemental or parallel conventional heating systems, that is manufactured, installed and operated in accordance with applicable government and industry standards, that is connected to the electric system and operated in conjunction with an electric corporation's transmission and distribution facilities.

§ 5. Subdivision 1 of section 66-j of the public service law is amended by adding a new paragraph (i) to read as follows:

(i) "Fuel-flexible linear generator electric generating equipment" or "fuel-flexible linear generator" means an integrated system consisting of oscillators, cylinders, electricity conversion equipment and associated balance of plant components that directly convert the linear motion of the oscillators into electricity and which has a combined rated capacity of not more than two thousand kilowatts.

§ 6. Subdivision 2 of section 66-j of the public service law, as amended by chapter 546 of the laws of 2011, is amended to read as follows:

2. Interconnection and net energy metering. An electric corporation shall provide for the interconnection of solar and farm waste electric generating equipment, micro-combined heat and power generating equipment, fuel cell electric generating equipment**, fuel-flexible linear generator electric generating equipment** and micro-hydroelectric generating equipment owned or operated by a customer-generator and for net energy metering, provided that the customer-generator enters into a net energy metering contract with the corporation or complies with the corporation's net energy metering schedule and complies with standards and requirements established under this section.

§ 7. Subparagraph (iii) of paragraph (a) of subdivision 3 of section 66-j of the public service law, as amended by chapter 546 of the laws of 2011, is amended to read as follows:

(iii) Each electric corporation shall make such contract and schedule available to customer-generators on a first come, first served basis, until the total rated generating capacity for solar and farm waste electric generating equipment, micro-combined heat and power generating equipment, fuel cell electric generating equipment**, fuel-flexible linear generator electric generating equipment** and micro-hydroelectric generating equipment owned, leased or operated by customer-generators in the corporation's service area is equivalent to one percent of the corporation's electric demand for the year two thousand five, as determined by the department.

§ 8. Paragraph (c) of subdivision 3 of section 66-j of the public service law, as amended by chapter 546 of the laws of 2011, subparagraph (iii) as amended by chapter 494 of the laws of 2014, is amended to read as follows:

(c) In the event that the electric corporation determines that it is necessary to install a dedicated transformer or transformers, or other equipment to protect the safety and adequacy of electric service provided to other customers, a customer-generator shall pay the electric corporation's actual costs of installing the transformer or transformers, or other equipment:

(i) In the case of a customer-generator who owns or operates solar electric generating equipment, micro-combined heat and power generating equipment, fuel cell electric generating equipment**, fuel-flexible linear generator electric generating equipment** or micro-hydroelectric generating equipment located and used at his or her residence, or a non-residential customer-generator who owns or operates solar electric generating equipment with a rated capacity of not more than twenty-five kilowatts, up to a maximum amount of three hundred fifty dollars;

(ii) In the case of a customer-generator who owns or operates farm waste electric generating equipment located and used at his or her "farm operation," up to a total amount of five thousand dollars per "farm operation"; and

(iii) In the case of a non-residential customer-generator who owns or operates solar electric generating equipment or fuel cell electric generating equipment **or fuel-flexible linear generator electric generating equipment** or micro-hydroelectric generating equipment or farm waste generating equipment as described in subparagraph (ix) of paragraph (a) of subdivision one of this section, with a rated capacity of more than twenty-five kilowatts located and used at its premises, such cost shall be as determined by the electric corporation subject to review, upon the request of such customer-generator, by the department.

§ 9. Paragraph (g) of subdivision 3 of section 66-j of the public service law, as added by chapter 200 of the laws of 2013, is amended to read as follows:

(g) A customer who owns or operates a farm operation as such term is defined in subdivision eleven of section three hundred one of the agriculture and markets law, or a non-residential customer-generator as defined by subparagraph (viii) of paragraph (a) of subdivision one of this section that locates fuel cell electric generating equipment **or fuel-flexible linear generator electric generating equipment** with a net energy meter on property owned or leased by such customer-generator may designate all or a portion of the net metering credits generated by such equipment to meters at any property owned or leased by such customer-generator within the service territory of the same electric corporation to which the customer-generator's net energy meters are interconnected and being within the same load zone as determined by the location based marginal price as of the date of initial request by the customer-generator to conduct net metering. The electric corporation will credit the accounts of the customer by applying any credits to the highest use meter first, then subsequent highest use meters until all such credits are attributed to the customer. Any excess credits shall be carried over to the following month.

§ 10. Paragraph (b) of subdivision 4 of section 66-j of the public service law, as amended by chapter 494 of the laws of 2014, is amended to read as follows:

(b) In the event that the amount of electricity produced by a customer-generator during the billing period exceeds the amount of electricity used by the customer-generator, the corporation shall apply a credit to the next bill for service to the customer-generator for the net electricity provided at the same rate per kilowatt hour applicable to service provided to other customers in the same service class which do not generate electricity onsite, except for micro-combined heat and power or fuel cell **or fuel-flexible linear generator** customer-generators or farm waste generating equipment customer-generators as described in subparagraph (ix) of paragraph (a) of subdivision one of this section, who will be credited at the corporation's avoided costs. The avoided cost credit provided to micro-combined heat and power or fuel cell **or fuel-flexible linear generator** customer-generators or farm waste generating equipment customer-generators as described in subparagraph (ix) of paragraph (a) of subdivision one of this section shall be treated for ratemaking purposes as a purchase of electricity in the market that is includable in commodity costs.

§ 11. Paragraph (a) of subdivision 5 of section 66-j of the public service law, as amended by chapter 546 of the laws of 2011, is amended to read as follows:

(a) On or before three months after the effective date of this section, each electric corporation shall establish standards that are necessary for net energy metering and the interconnection of residential solar or farm waste electric generating equipment, micro-combined heat and power generating equipment and fuel cell electric generating equipment**, fuel-flexible linear generator electric generating equipment** and micro-hydroelectric generating equipment to its system and that the commission shall determine are necessary for safe and adequate service and further the public policy set forth in this section. Such standards may include but shall not be limited to:

(i) equipment necessary to isolate automatically the residential solar, farm waste, micro-combined heat and power and fuel cell electric generating system **and fuel-flexible linear generator electric generating equipment** and micro-hydroelectric generating equipment from the utility system for voltage and frequency deviations; and

(ii) a manual lockable disconnect switch provided by the customer-generator which shall be located on the outside of the customer's premises and externally accessible for the purpose of isolating the residential solar and farm waste electric generating equipment and micro-hydroelectric generating equipment.

§ 12. Subparagraph (i) of paragraph (b) of subdivision 5 of section 66-j of the public service law, as amended by chapter 546 of the laws of 2011, is amended to read as follows:

(i) In the case of a customer-generator who owns or operates solar electric generating equipment located and used at his or her residence; an electric corporation may not require a customer-generator to comply with additional safety or performance standards, perform or pay for additional tests, or purchase additional liability insurance provided that the residential solar or farm waste electric generating equipment, micro-combined heat and power generating equipment, fuel cell electric generating equipment**, fuel-flexible linear generator electric generating equipment** or micro-hydroelectric generating equipment meets the safety standards established pursuant to this paragraph.

§ 13. This act shall take effect immediately.