

STATE OF NEW YORK

7832

2019-2020 Regular Sessions

IN ASSEMBLY

May 24, 2019

Introduced by M. of A. CARROLL -- read once and referred to the Committee on Energy

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:

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

3 § 66-p. Establishment of a renewable electricity compliance program.

4 1. As used in this section:

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

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

20 (c) "renewable energy credits" or "RECs" represent the environmental
21 attributes of the electricity produced from qualified renewable energy
22 projects and can be sold separately from the electricity itself. One REC
23 is generated for every megawatt hour of electricity produced by a quali-
24 fied renewable energy system.

25 2. No later than January first, two thousand twenty, the commission
26 shall establish a program to require that a minimum of seventy percent
27 of the electricity secured by load serving entities for all end-use

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

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1 customers in New York state in two thousand thirty shall be generated by
2 renewable energy systems.

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

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

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

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

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

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

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

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

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

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

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

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

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

43 § 2. The public authorities law is amended by adding a new section
44 1884 to read as follows:

45 § 1884. Establishment of renewable energy procurements. 1. No later
46 than January first, two thousand twenty, the authority shall establish a
47 program to conduct annual procurements through two thousand thirty for
48 large scale solar and on-shore wind projects to enter into long-term
49 renewable energy credit contracts, indexed renewable energy credit
50 contracts, or bundled contracts, and also publish a schedule of the
51 planned procurement amounts and the timing for the coming three years
52 updated annually.

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

55 § 3. This act shall take effect immediately.