

# STATE OF NEW YORK

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3768

2021-2022 Regular Sessions

## IN ASSEMBLY

January 28, 2021

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

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:

1 Section 1. The section heading of section 66-j of the public service  
2 law, as amended by chapter 546 of the laws of 2011, is amended to read  
3 as follows:

4 Net energy metering for residential solar, farm waste, non-residential  
5 solar electric generating systems, micro-combined heat and power gener-  
6 ating equipment, fuel cell electric generating equipment, fuel-flexible  
7 linear generator electric generating equipment, and micro-hydroelectric  
8 generating equipment.

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

14 (v) a residential customer of an electric corporation who owns, leases  
15 or operates fuel cell generating equipment or fuel-flexible linear  
16 generator electric generating equipment located on the customer's prem-  
17 ises; and (vi) a non-residential customer of an electric corporation who  
18 owns, leases or operates fuel cell generating equipment or fuel-flexible  
19 linear generator electric generating equipment located and used at the  
20 customer's premises;

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

24 (f) "Micro-combined heat and power generating equipment" means an  
25 integrated, cogenerating building heating and electrical power gener-

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

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1 ation system, operating on any fuel and of any applicable engine, fuel  
2 cell, linear generator, or other technology, with a rated capacity of at  
3 least one kilowatt and not more than ten kilowatts electric and any  
4 thermal output that at full load has a design total fuel use efficiency  
5 in the production of heat and electricity of not less than eighty  
6 percent, and annually produces at least two thousand kilowatt hours of  
7 useful energy in the form of electricity that may work in combination  
8 with supplemental or parallel conventional heating systems, that is  
9 manufactured, installed and operated in accordance with applicable  
10 government and industry standards, that is connected to the electric  
11 system and operated in conjunction with an electric corporation's trans-  
12 mission and distribution facilities.

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

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

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

24 2. Interconnection and net energy metering. An electric corporation  
25 shall provide for the interconnection of solar and farm waste electric  
26 generating equipment, micro-combined heat and power generating equip-  
27 ment, fuel cell electric generating equipment, fuel-flexible linear  
28 generator electric generating equipment and micro-hydroelectric generat-  
29 ing equipment owned or operated by a customer-generator and for net  
30 energy metering, provided that the customer-generator enters into a net  
31 energy metering contract with the corporation or complies with the  
32 corporation's net energy metering schedule and complies with standards  
33 and requirements established under this section.

34 § 6. Subparagraph (iii) of paragraph (a) of subdivision 3 of section  
35 66-j of the public service law, as amended by chapter 546 of the laws of  
36 2011, is amended to read as follows:

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

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

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

§ 8. 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.

§ 9. 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

1 cost credit provided to micro-combined heat and power or fuel cell or  
2 fuel-flexible linear generator customer-generators or farm waste gener-  
3 ating equipment customer-generators as described in subparagraph (ix) of  
4 paragraph (a) of subdivision one of this section shall be treated for  
5 ratemaking purposes as a purchase of electricity in the market that is  
6 includable in commodity costs.

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

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

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

25 (ii) a manual lockable disconnect switch provided by the customer-gen-  
26 erator which shall be located on the outside of the customer's premises  
27 and externally accessible for the purpose of isolating the residential  
28 solar and farm waste electric generating equipment and micro-hydroelec-  
29 tric generating equipment.

30 § 11. Subparagraph (i) of paragraph (b) of subdivision 5 of section  
31 66-j of the public service law, as amended by chapter 546 of the laws of  
32 2011, is amended to read as follows:

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

43 § 12. This act shall take effect immediately.