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2021-2022 Regular Sessions

IN ASSEMBLY

January 28, 2021

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 1 amended by chapter 6 of the laws of 2011, is amended to read as follows: 2 3 2-b. The term "alternate energy production facility," when used in 4 this chapter, includes any solar, wind turbine, fuel cell, fuel-flexible linear generator electric generating equipment, tidal, wave energy, 5 waste management resource recovery, refuse-derived fuel, wood burning 6 7 facility, or energy storage device utilizing batteries, flow batteries, 8 flywheels or compressed air, together with any related facilities 9 located at the same project site, with an electric generating capacity 10 of up to eighty megawatts, which produces electricity, gas or useful 11 thermal energy. 12 § 2. The section heading of section 66-j of the public service law, as 13 amended by chapter 546 of the laws of 2011, is amended to read as 14 follows: 15 Net energy metering for residential solar, farm waste, non-residential solar electric generating systems, micro-combined heat and power gener-16 ating equipment, fuel cell electric generating equipment, fuel-flexible 17 linear generator electric generating equipment, and micro-hydroelectric 18 19 generating equipment. 20 3. Subparagraphs (v) and (vi) of paragraph (a) of subdivision 1 of § 21 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 22 23 (vi) as added by chapter 530 of the laws of 2011, are amended to read as 24 follows: (v) a residential customer of an electric corporation who owns, leases 25 26 or operates fuel cell generating equipment or fuel-flexible linear 27 generator electric generating equipment located on the customer's prem-

EXPLANATION--Matter in <u>italics</u> (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 1 2 owns, leases or operates fuel cell generating equipment or fuel-flexible 3 linear generator electric generating equipment located and used at the 4 customer's premises; 5 § 4. Paragraph (f) of subdivision 1 of section 66-j of the public б service law, as added by chapter 355 of the laws of 2009, is amended to 7 read as follows: 8 (f) "Micro-combined heat and power generating equipment" means an 9 integrated, cogenerating building heating and electrical power gener-10 ation system, operating on any fuel and of any applicable engine, fuel 11 cell, fuel-flexible linear generator, or other technology, with a rated capacity of at least one kilowatt and not more than ten kilowatts elec-12 13 tric and any thermal output that at full load has a design total fuel 14 use efficiency in the production of heat and electricity of not less 15 than eighty percent, and annually produces at least two thousand kilo-16 watt hours of useful energy in the form of electricity that may work in 17 combination with supplemental or parallel conventional heating systems, that is manufactured, installed and operated in accordance with applica-18 ble government and industry standards, that is connected to the electric 19 20 system and operated in conjunction with an electric corporation's trans-21 mission and distribution facilities. 22 Subdivision 1 of section 66-j of the public service law is 5. § 23 amended by adding a new paragraph (i) to read as follows: (i) "Fuel-flexible linear generator electric generating equipment" or 24 25 "fuel-flexible linear generator" means an integrated system consisting 26 of oscillators, cylinders, electricity conversion equipment and associ-27 ated balance of plant components that directly convert the linear motion 28 of the oscillators into electricity and which has a combined rated 29 capacity of not more than two thousand kilowatts. 30 § 6. Subdivision 2 of section 66-j of the public service law, as 31 amended by chapter 546 of the laws of 2011, is amended to read as 32 follows: 33 2. Interconnection and net energy metering. An electric corporation shall provide for the interconnection of solar and farm waste electric 34 35 generating equipment, micro-combined heat and power generating equip-36 ment, fuel cell electric generating equipment, fuel-flexible linear generator electric generating equipment and micro-hydroelectric generat-37 ing equipment owned or operated by a customer-generator and for net 38 39 energy metering, provided that the customer-generator enters into a net energy metering contract with the corporation or complies with the 40 41 corporation's net energy metering schedule and complies with standards 42 and requirements established under this section. 43 § 7. Subparagraph (iii) of paragraph (a) of subdivision 3 of section 44 66-j of the public service law, as amended by chapter 546 of the laws of 45 2011, is amended to read as follows: 46 (iii) Each electric corporation shall make such contract and schedule 47 available to customer-generators on a first come, first served basis, until the total rated generating capacity for solar and farm waste elec-48 tric generating equipment, micro-combined heat and power generating 49 equipment, fuel cell electric generating equipment, fuel-flexible linear 50 51 generator electric generating equipment and micro-hydroelectric generating equipment owned, leased or operated by customer-generators in the 52 53 corporation's service area is equivalent to one percent of the corpo-54 ration's electric demand for the year two thousand five, as determined 55 by the department.

1 § 8. Paragraph (c) of subdivision 3 of section 66-j of the public 2 service law, as amended by chapter 546 of the laws of 2011, subparagraph 3 (iii) as amended by chapter 494 of the laws of 2014, is amended to read 4 as follows:

5 (c) In the event that the electric corporation determines that it is 6 necessary to install a dedicated transformer or transformers, or other 7 equipment to protect the safety and adequacy of electric service 8 provided to other customers, a customer-generator shall pay the electric 9 corporation's actual costs of installing the transformer or transfor-10 mers, or other equipment:

11 In the case of a customer-generator who owns or operates solar (i) electric generating equipment, micro-combined heat and power generating 12 13 equipment, fuel cell electric generating equipment, fuel-flexible linear 14 generator electric generating equipment or micro-hydroelectric generat-15 ing equipment located and used at his or her residence, or a non-resi-16 dential customer-generator who owns or operates solar electric generat-17 ing equipment with a rated capacity of not more than twenty-five kilowatts, up to a maximum amount of three hundred fifty dollars; 18

19 (ii) In the case of a customer-generator who owns or operates farm 20 waste electric generating equipment located and used at his or her "farm 21 operation," up to a total amount of five thousand dollars per "farm 22 operation"; and

(iii) In the case of a non-residential customer-generator who owns or 23 24 operates solar electric generating equipment or fuel cell electric 25 generating equipment or fuel-flexible linear generator electric generating equipment or micro-hydroelectric generating equipment or farm waste 26 27 generating equipment as described in subparagraph (ix) of paragraph (a) 28 subdivision one of this section, with a rated capacity of more than of 29 twenty-five kilowatts located and used at its premises, such cost shall 30 be as determined by the electric corporation subject to review, upon the 31 request of such customer-generator, by the department.

32 § 9. Paragraph (g) of subdivision 3 of section 66-j of the public 33 service law, as added by chapter 200 of the laws of 2013, is amended to 34 read as follows:

35 (g) A customer who owns or operates a farm operation as such term is 36 defined in subdivision eleven of section three hundred one of the agri-37 culture and markets law, or a non-residential customer-generator as 38 defined by subparagraph (viii) of paragraph (a) of subdivision one of this section that locates fuel cell electric generating equipment or 39 fuel-flexible linear generator electric generating equipment with a net 40 energy meter on property owned or leased by such customer-generator may 41 42 designate all or a portion of the net metering credits generated by such 43 equipment to meters at any property owned or leased by such customergenerator within the service territory of the same electric corporation 44 to which the customer-generator's net energy meters are interconnected 45 46 and being within the same load zone as determined by the location based 47 marginal price as of the date of initial request by the customer-genera-48 tor to conduct net metering. The electric corporation will credit the accounts of the customer by applying any credits to the highest use 49 50 meter first, then subsequent highest use meters until all such credits 51 are attributed to the customer. Any excess credits shall be carried over 52 to the following month.

53 § 10. Paragraph (b) of subdivision 4 of section 66-j of the public 54 service law, as amended by chapter 494 of the laws of 2014, is amended 55 to read as follows: A. 3768--A

1 (b) In the event that the amount of electricity produced by a custom-2 er-generator during the billing period exceeds the amount of electricity 3 used by the customer-generator, the corporation shall apply a credit to 4 the next bill for service to the customer-generator for the net elec-5 tricity provided at the same rate per kilowatt hour applicable to б service provided to other customers in the same service class which do 7 not generate electricity onsite, except for micro-combined heat and 8 power or fuel cell or fuel-flexible linear generator customer-generators 9 or farm waste generating equipment customer-generators as described in 10 subparagraph (ix) of paragraph (a) of subdivision one of this section, 11 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 12 13 fuel-flexible linear generator customer-generators or farm waste gener-14 ating equipment customer-generators as described in subparagraph (ix) of 15 paragraph (a) of subdivision one of this section shall be treated for 16 ratemaking purposes as a purchase of electricity in the market that is 17 includable in commodity costs. 18 § 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 19 20 to read as follows: 21 On or before three months after the effective date of this (a) 22 section, each electric corporation shall establish standards that are necessary for net energy metering and the interconnection of residential 23 24 solar or farm waste electric generating equipment, micro-combined heat 25 and power generating equipment and fuel cell electric generating equip-26 ment, fuel-flexible linear generator electric generating equipment and 27 micro-hydroelectric generating equipment to its system and that the 28 commission shall determine are necessary for safe and adequate service 29 and further the public policy set forth in this section. Such standards 30 may include but shall not be limited to: 31 (i) equipment necessary to isolate automatically the residential 32 solar, farm waste, micro-combined heat and power and fuel cell electric 33 generating system and fuel-flexible linear generator electric generating 34 equipment and micro-hydroelectric generating equipment from the utility 35 system for voltage and frequency deviations; and 36 (ii) a manual lockable disconnect switch provided by the customer-gen-37 erator which shall be located on the outside of the customer's premises 38 and externally accessible for the purpose of isolating the residential 39 solar and farm waste electric generating equipment and micro-hydroelec-40 tric generating equipment. 41 12. Subparagraph (i) of paragraph (b) of subdivision 5 of section § 42 66-j of the public service law, as amended by chapter 546 of the laws of 43 2011, is amended to read as follows: 44 (i) In the case of a customer-generator who owns or operates solar 45 electric generating equipment located and used at his or her residence; 46 an electric corporation may not require a customer-generator to comply 47 with additional safety or performance standards, perform or pay for additional tests, or purchase additional liability insurance provided 48 that the residential solar or farm waste electric generating equipment, 49 50 micro-combined heat and power generating equipment, fuel cell electric 51 generating equipment, fuel-flexible linear generator electric generating 52 equipment or micro-hydroelectric generating equipment meets the safety 53 standards established pursuant to this paragraph.

54 § 13. This act shall take effect immediately.