STATE OF NEW YORK

504

2021-2022 Regular Sessions

IN ASSEMBLY

(Prefiled)

January 6, 2021

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:

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

§ 66-q. 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.

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is generated for every megawatt hour of electricity produced by a qualified renewable energy system.

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

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

(a) 2022: 30% from renewable energy systems;

(b) 2024: 38% from renewable energy systems;

(c) 2026: 46% from renewable energy systems;

(d) 2028: 54% from renewable energy systems;

(e) 2030: 62% from renewable energy systems; and

(f) 2032: 70% from renewable energy systems.

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

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

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

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

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

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

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

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

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

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

§ 3. This act shall take effect immediately.