



COMMITTEE ON
Energy

2019 ANNUAL REPORT

NEW YORK STATE ASSEMBLY



CARL E. HEASTIE, *Speaker*

MICHAEL J. CUSICK, *Chairman*



MICHAEL J. CUSICK
Assemblyman 63rd District
Richmond County

THE ASSEMBLY
STATE OF NEW YORK
ALBANY

CHAIRMAN
Committee on Energy
COMMITTEES
Governmental Employees
Higher Education
Transportation
Veterans' Affairs
Ways and Means

December 15, 2019

Honorable Carl E. Heastie
Speaker of the Assembly
Legislative Office Building, Room 932
Albany, NY 12248

Dear Speaker Heastie:

I am pleased to submit to you the 2019 Annual Report of the Assembly Standing Committee on Energy. This legislative session marked my second year as chair of the Committee.

Throughout the course of the year, the Committee was actively engaged in the passage of the SFY 2019-2020 budget as well as legislation related to consumer protections and the achievement of our clean energy goals.

Outside of the budget process, the Committee helped work on the passage of the Climate Leadership and Community Protection Act, which positions New York to achieve six gigawatts of installed distributed solar by 2025, seventy percent renewable electricity by 2030, nine gigawatts of installed offshore wind by 2035, one-hundred percent carbon-free electricity by 2040 and an eighty-five percent reduction in statewide greenhouse gas emissions by 2050. In 2020, the committee will hold a hearing to examine the incentives for community solar.

I have greatly enjoyed working with the Energy Committee and look forward to another productive year. Under your leadership, the Assembly will continue its efforts to protect ratepayers and enhance the deployment of renewable energy systems throughout the 2020 legislative year.

Sincerely,

Michael J. Cusick
Chair of the Assembly Standing Committee on
Energy

2019 ANNUAL REPORT
OF NEW YORK STATE ASSEMBLY
STANDING COMMITTEE ON ENERGY

Michael J. Cusick, Chairman

Committee Members

Majority

Steve Englebright
Marcos Crespo
Aravella Simotas
Angelo Santabarbara
Charles Barron
Latrice Walker
Erik Dilan
Pamela Hunter
Monica Wallace
Steve Stern
Nily Rozic
Nader Sayegh

Minority

Philip Palmesano
Kenneth Blankenbush
Douglas Smith
Mark Walczyk

Michael R. Hernandez, Assistant Secretary for Program and Policy
Ashley Luz, Legislative Analyst
Henry Tranes, Associate Counsel
Theophilus Alexander, Committee Assistant
Sean Ewart, Committee Clerk
Sharon Grobe, Legislative Director
Abigail Mellon, Program and Counsel Secretary

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INTRODUCTION

The Assembly Energy Committee, now in its 38th year, has jurisdiction over legislation relating to energy availability and sources, policy and planning, conservation, and electric, gas, and steam rate-making in New York State. The Committee considers legislation that amends Energy Law, Public Service Law, Public Authorities Law, Economic Development Law, and Rural Electric Cooperative Law. The Committee works closely with the Assembly Committee on Corporations, Authorities and Commissions, which considers legislation concerning the structure and operations of the Power Authority of the State of New York (PASNY, d/b/a NYPA), the Public Service Commission (PSC), the New York State Energy Research and Development Authority (NYSERDA), and the Long Island Power Authority (LIPA). The Committee also works with other state agencies including the Department of Economic Development (DED), the Department of Environmental Conservation (DEC), the Department of State (DOS) and the Department of Transportation (DOT).

In 2019, 86 bills introduced in the Assembly were referenced to the Committee, and 11 were reported from the Committee. The full Assembly considered and passed 5 of these bills. Three bills were signed into law. This report outlines the legislation that incorporates many of the Assembly's proposals developed by the Committee to address the challenges to New York State energy policy.

MAJOR ISSUES OF 2019

A. BUDGET HIGHLIGHTS

Utility Assessments

The SFY 2019-2020 budget included provisions that:

- Extended for an additional year the authorization for certain expenses of the Office of Parks, Recreation and Historic Preservation and the Departments of Agriculture & Markets, Health, Environmental Conservation, and State to be reimbursed by a utility assessment and,
- Extended for an additional year the authorization for NYSERDA to receive up to \$19.7 million from an assessment on gas and electric corporations.

New York Power Authority

The SFY 2019-2020 budget included provisions that authorized NYPA to:

- develop electric vehicle charging stations and offshore wind transmission facilities;
- finance the development of renewable energy generating projects; and,
- supply authority customers, public entities, and community choice aggregation communities with certain energy products.

Westchester County Renewable Energy and Energy Efficiency Resources Program

The 2019-2020 SFY budget also included provisions that required the Public Service Commission to establish a program to encourage the installation of renewable energy and energy efficiency resources in Westchester County.

B. COMMITTEE LEGISLATION

GAS SAFETY

Pipeline Repairs

(A.7334-A Reyes; Reported from Committee)

This legislation would require gas utilities to accelerate the repair, rehabilitation, and replacement of equipment or pipelines that are leaking or at a high risk of leaking.

CONSUMER ISSUES

Gas and Electric Charges

(A.2122 Pichardo; Chapter 705 of the Laws of 2019)

For tenants, utility charges can be an important part of the cost of renting. When prospective tenants can accurately gauge the costs of electric and gas service, they can make a more informed decision. This year, the Assembly passed legislation that would require gas and electric utilities to make information concerning gas and electric charges incurred for residential premises available to landlords upon request.

Smart Meter & Time of Use Savings

(A.3017 Fahy; Reported from Committee)

The Committee reported legislation that would require reporting on residential customer savings realized through the use of time-of-use tariffs and smart meters.

ENERGY PLANNING

Feasibility Study

(A.2720-B Cusick; Reported from Committee)

The State has established ambitious clean energy and greenhouse gas reduction goals, including provisions that would require 70% of New York's electric generation come from renewable sources by 2030, and 85% GHG emissions reductions by 2050. This legislation would direct the State Energy Planning Board to conduct a study of the technical and economic feasibility of ultimately achieving a 100% renewable energy system and 100% emissions reductions.

Fuel Cell Incentives

(A.2734 Cusick; Reported from Committee)

The Committee reported legislation that would incentivize the development and deployment of fuel cell technology in New York State. This bill would direct the Public Service Commission and the Long Island Power Authority to establish, by January 1, 2020, certain modifications to existing programs that encourage the development of qualified fuel cell generating systems.

Existing Large Scale Renewable Resources

(A.4294 Cusick; Veto No. 204)

The Legislature passed legislation that would require the Public Service Commission, in consultation with the New York State Energy & Research Development Authority, to adopt a program to support certain existing large-scale renewable energy resources in the State.

The program would include an obligation on load-serving entities to purchase Tier 2 “Renewable Energy Credits” (RECs) from eligible resources, as well as additional financial assistance to facilities for which the Tier 2 RECs are insufficient.

Incinerators

(A.5029-A Cusick; Chapter 32 of the Laws of 2019)

The Finger Lakes region contains sensitive ecosystems and significant agriculture tourism. This law ensures that the siting of any new incinerators in the Finger Lakes region would be prohibited by establishing that no permit or certificate shall be issued by the state if any such facility is within:

- the Oswego River/Finger Lakes Watershed;
- a fifty mile radius of a landfill or solid waste management facility; and,
- Ten miles of a priority waterbody.

Energy Star Appliances

(A.6599 Simon; Veto No. 174)

This legislation would require certain organizations that receive funds for capital improvements by the New York State Dormitory Authority and the Urban Development Corporation to use such funds for the purchase of EnergyStar equipment and appliances, where available.

Siting of Major Utility Transmission Facilities

(A.6680 Cusick; Reported from Committee)

This legislation would provide that in the siting of major utility transmission facilities, state agencies and municipalities may require conditions for the construction and operation of such facilities in such instances where it is expressly authorized by the Public Service Commission or necessary for the administration and enforcement of the New York State Uniform Fire Prevention and Building Code.

Community Distributed Generation

(A.7286 Cusick; Reported from Committee)

This legislation would expand customer access to community distributed generation by authorizing the transfer of community solar bill credits across utility service territories. The bill would require the Public Service Commission to direct electric corporations to file a model tariff providing for community solar bill credit transfers, allow for public comment on the model tariff and approve such tariffs within two hundred and seventy days.

Appliance Standards
(A.7779 Fahy; Chapter 666 of the Laws of 2019)

This legislation would require reporting on the State's progress in setting certain energy efficiency performance standards for appliances pursuant to Article 16 of the Energy Law. This legislation would direct the Department of State and NYSERDA, by March 15, 2021, to produce a report on the status of implementation of performance standards and provide an updated report by March 15, 2030 to be posted on DOS and NYSERDA websites.

PUBLIC OVERSIGHT AND HEARINGS

Electric Power System Reliability

On September 3, the Senate Standing Committees on Energy and Telecommunications and Corporations, Authorities and Commissions, and the Assembly Standing Committees on Energy and Corporations, Authorities, and Commissions held a hearing in New York City to examine the reliability of utility electric power systems in the wake of this summer's blackouts throughout Con Edison's electric distribution system. The vast majority of outages occurred in southeast Brooklyn and the West Side of Manhattan.

The Committees received testimony from Con Edison, the Department of Public Service, the Public Utility Law Project, and the NYC-DSA Ecosocialist Working Group. The hearing was an opportunity to discuss utility response, communication, and restoration of power in the wake of such outage events.

Incentives for Community Solar

On February 18, 2020, the Assembly Standing Committees on Energy and Environmental Conservation will hold a public hearing in Long Island to examine whether existing incentives and crediting mechanisms are sufficient to ensure community solar remains a viable component of the renewable energy mix to meet the new clean energy targets within the NYS Climate Leadership and Community Protection Act (CLCPA).

OUTLOOK FOR 2020

During the 2020 legislative session, the Energy Committee will continue to oversee State energy policy to ensure that consumers are provided safe and reliable energy at reasonable costs. Additionally, the Committee looks forward to continued efforts to achieve the State's renewable energy, energy efficiency and energy storage goals and the State's new clean energy targets outlined in the Climate Leadership and Community Protection Act.

APPENDIX A

2019 SUMMARY SHEET

Summary of Action on All Bills Referred to the Committee on ENERGY

<u>Final Action</u>	<u>Assembly Bills</u>	<u>Senate Bills</u>	<u>Total</u>
<u>Bills Reported Favorable To:</u>			
Codes	1	0	1
Judiciary	0	0	0
Ways and Means	6	0	6
Rules	1	0	1
Floor	3	0	3
Total	11	0	11
<u>Bills Held for Consideration</u>	1	0	1
<u>Bills Defeated</u>	0	0	0
<u>Bills Enacting Clause Stricken</u>	0	0	0
<u>Bills Never Reported, Remained in Committee</u>	68	3	71
TOTAL NUMBER OF COMMITTEE MEETINGS HELD			4

APPENDIX B

BILLS THAT PASSED BOTH HOUSES

<u>Governor's Action</u>	<u>Bill Number</u>	<u>Description</u>
Chapter 705	A.2122 (Pichardo)	Requires gas and electric utilities to make available to landlords upon request information concerning gas and electric charges incurred for residential premises.
Veto No. 204	A.4294 (Cusick)	Relates to maintaining the continued viability of the State's existing large-scale, renewable energy resources
Chapter 32	A.5029-A(Cusick)	Creates the "Finger Lakes community preservation act"
Veto No. 174	A.6599 (Simon)	Requires organizations that receive funds for capital improvements use such funds for the purchase of energy star equipment and appliances where available.
Chapter 666	A.7779 (Fahy)	Requires DOS and NYSERDA by March 15, 2021, to produce a report on the status of the implementation of performance standards and a subsequent updated report due by March 15, 2030.