

2014 Update from the New York State Assembly

ENERGY COMMITTEE

Sheldon Silver, Speaker • Amy Paulin, Chair

Message from the Chair



Dear Friend,

I am honored to share with you an overview of the activities and achievements of the Assembly Committee on Energy for the 2014 legislative session. This newsletter will describe some of the legislation that was reported by the committee, issues of importance to the committee, as well as providing some tips on increasing the energy efficiency of residences and installation of solar photovoltaic equipment.

This session the Committee advanced several bills that passed the Assembly, some of which passed the Senate and are awaiting approval from the Governor. Among the key legislative initiatives was the establishment of a municipal energy aggregation program for Westchester County that I am hopeful will be a model for the rest of the state. Additionally, the Assembly passed legislation that would authorize non-residential electric customers who operate farm waste generating systems but do not own or operate a farm operation to participate in net-metering. The bill was intended to assist New York's growing dairy industry by allowing dairy processors – which currently are not classified as farm operations – to produce a portion of their energy on site from dairy byproducts.

In my second year as Chair of the Energy Committee I heard from a broad range of constituents and organizations representing various concerns, including consumer groups and renewable energy advocates. I am proud to report during the closing days of session, the committee reported legislation that would establish a cost-mitigation program for gas and electric customers that would require utilities to provide temporary bill credits when supply prices increase 15 percent or more over the previous month. The committee also reported legislation creating a shared renewables program described on the next page.

In addition, in my capacity as Chair of the Energy Committee, in early May I participated in an informative joint hearing with the Committee on Corporations, Authorities and Commissions regarding the safety of natural gas distribution infrastructure that delivers gas to homes and businesses throughout New York. The hearing was held in the wake of a devastating natural gas explosion in Harlem that is currently under investigation by the National Transportation Safety Board.

Please take time to review some of the tips we have included about how to increase the energy efficiency of your home and install solar photovoltaic devices. Although summer has come to an end, there is still plenty of time to make your home more energy efficient before winter arrives.

I look forward to sharing more updates with you in the coming months as the Committee holds hearings and works on new legislation to benefit New Yorkers.

Sincerely,

Amy R. Paulin
Chair, Committee on Energy

Legislative highlights

Municipal Energy Aggregation (A.7896-C/S.5500-D)

A municipal energy aggregation program allows a municipality or group of municipalities to pool together a large number of residents and solicit bids from energy service companies to supply their electricity and gas. The municipality can then obtain the best price for residents, saving them money on utility bills. It also provides municipalities with the flexibility to purchase energy produced from alternative sources.

This legislation will create a pilot program for municipalities in Westchester County to set up municipal energy aggregation programs. This would be the first time such a program, which is already in use in various states throughout the country, would be employed in New York. The legislation has passed both houses and is awaiting the governor's signature.



Shared Renewables (A.9931/S.7727)

The majority of electric customers cannot install renewable energy systems, such as solar panels, due to physical limitations on their property or because they are renters. The Committee introduced legislation which would enable customers to share in a solar and wind energy facility and receive benefits on their utility bill, similar to the benefits net metering customers receive.

This will open a new renewable energy market in New York and attract more investment to the state in addition to helping current consumers. More clean energy will be produced in the state and fed onto the electric grid thus reducing the need for emissions-producing power plants.



Update on the Lower Hudson Valley Capacity Zone

The Lower Hudson Valley Capacity Zone was approved by the Federal Energy Regulatory Commission (FERC) last year and took effect in May. The zone was created by the New York Independent System Operator (NYISO), the non-profit organization charged with overseeing the state's electric grid, as a means of incentivizing the construction of new power plants serving the Hudson Valley area, where recent power plant closures have caused the price of electricity to fluctuate. Opponents of the new zone, including investor-owned utilities, the New York Power Authority (NYPA) and the Public Service Commission (PSC) however have argued that the creation of this new capacity zone will significantly increase the cost of electricity, dramatically impacting ratepayers. Some opponents have suggested accelerated transmission upgrades to allow upstate generators to more economically sell power to energy-hungry downstate. In early July, the U.S. House of Representatives approved legislation that would eliminate the zone, which is awaiting a vote in the Senate.

Thinking about installing solar panels?

NY-Sun Solar PV Incentive Program

The NY-Sun Solar PV Incentive Program offers incentives to help reduce the installation costs associated with PV or solar electric systems of up to 25 kilowatt (kW) for residential customers and up to 200 kW for commercial customers.

A 7 kW PV system located on a south-facing roof can typically offset 70-80% of a home's electricity needs. When combined with improving energy efficiency, the savings on your electric bill can be even more significant.

Key Benefits

- *When combined with a battery backup system, a PV unit can provide you with power when utility power is out.*
- *NYSERDA provides incentives that can reduce the customer's out-of-pocket cost.*
- *Generate excess electricity with a system smaller than 25 kW and receive credits on your monthly utility bill against the amount of energy you use.*

Clean Power Estimator

Visit <http://nyserda.cleanpowerestimator.com/nyserda.htm> to generate a customized estimate of the costs and savings of installing a PV system using an eligible installer under NYSERDA's PV incentive program. If you have general inquiries, call NYSERDA toll free at 1-866-NYSERDA.



Assemblywoman Paulin toured Covanta's Dutchess County Energy-from-Waste facility.



Assemblywoman Amy Paulin delivers the graduation address at the Legislative Energy Horizon Institute's Energy School in Washington, D.C..

Save money on heating and cooling

According to the US Department of Energy, as much as half of the energy used in your home goes to heating and cooling. Here are some easy things you can do in your home to use less energy and lower your heating and cooling costs.

- *Change your air filter regularly. Check your filter every month, especially during heavy use months (winter and summer). At a minimum, change the filter every 3 months.*
- *Tune up your HVAC equipment yearly.*
- *Install a programmable thermostat. By properly using pre-programmed settings, a programmable thermostat can save you about \$180 every year in energy costs.*
- *Seal your heating and cooling ducts. This can improve the efficiency of your heating and cooling system by as much as 20 percent.*



New York State Assembly Albany, New York 12248

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IMPORTANT CONTACTS

New York State Energy Research and Development Authority (NYSERDA)

17 Columbia Circle,
Albany, New York 12203-6399
Phone: 1-866-NYSERDA or
(518) 862-1090
<http://www.nyserda.ny.gov>

NYSERDA is a public benefit corporation focused solely on research and development with the goal of reducing the State's petroleum consumption. Today, NYSERDA's aim is to help New York meet its energy goals: reducing energy consumption, promoting the use of renewable energy sources, and protecting the environment.

Public Service Commission (PSC)

3 Empire State Plaza
Albany, New York 12223-1350
Phone: (518) 474-7080
<http://www.askpsc.com/>

The primary mission of the New York State Department of Public Service is to ensure safe, secure, and reliable access to electric, gas, steam, telecommunications, and water services for New York State's residential and business consumers, at fair and reasonable rates.

New York Power Authority (NYPA)

123 Main St., Mail Stop 10 - H
White Plains, NY 10601-3170
Phone: (914) 681-6200
<http://www.nypa.gov/contactus.html>

NYPA is a public power organization that provides clean, low-cost and reliable energy. NYPA is committed to the environment and safety, while promoting economic development and job development, energy efficiency, renewables and innovation, for the benefit of all New Yorkers.

New York Independent System Operator (NYISO)

10 Krey Boulevard
Rensselaer, NY 12144
Phone: 518-356-6000
<http://www.nyiso.com/public/index.jsp>

NYISO is at the heart of New York State's electric system, operating the high-voltage transmission network, administering and monitoring the wholesale electricity markets, and planning for the state's energy future.