

NEW YORK STATE ASSEMBLY

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Committee On
Energy

Carl E. Heastie • Speaker
Michael J. Cusick • Chairperson



ANNUAL REPORT



MICHAEL J. CUSICK
Assemblyman, 63rd District
Richmond County

THE ASSEMBLY
STATE OF NEW YORK
ALBANY

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

December 15, 2022

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 2022 Annual Report of the Assembly Standing Committee on Energy.

This year the Committee was actively engaged in the passage of the SFY 2022-2023 State Budget, funding provisions related to utility arrears and the achievement of clean energy goals.

Outside of the budget process, the Committee was involved in matters relating to the implementation of the Climate Leadership and Community Protection Act (CLCPA). Legislative matters included efforts to update the State building and energy codes to reduce emissions and electrification of the State vehicle fleet. This year has been an eventful one, and the Committee anticipates continued engagement with the utilities and agencies of our State in the interest of maintaining the safety and wellbeing of all New Yorkers.

I have greatly enjoyed working with the Energy Committee. Under your leadership, the Assembly will continue its efforts to protect ratepayers and enhance the deployment of renewable energy systems throughout the 2023 legislative year.

Sincerely,

Michael J. Cusick
Chair, Assembly Standing Committee on Energy

2022 ANNUAL REPORT

THE NEW YORK STATE ASSEMBLY

STANDING COMMITTEE ON ENERGY

**Michael J. Cusick,
Chair**

Committee Members

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Steve Englebright

Angelo Santabarbara

Brian Barnwell

Erik M. Dilan

Pamela J. Hunter

Brian Cunningham

Steve Stern

Khaleel M. Anderson

William C. Conrad, III

Zohran K. Mamdani

Jonathan D. Rivera

Nikki Lucas

Minority

Philip A. Palmesano

Ken Blankenbush

Doug Smith

Mark Walczyk

Michelle Milot, Assistant Secretary for Program and Policy

Thomas Roell, Legislative Analyst

Michael Canavan, Associate Counsel

Maya Wilson, Program and Counsel Secretary

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INTRODUCTION

The Assembly Energy Committee 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 the Energy Law, Public Service Law, Public Authorities Law, Economic Development Law, General Municipal 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 Long Island Power Authority (LIPA), and the New York State Energy Research and Development Authority (NYSERDA). 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 2022, 87 bills introduced in the Assembly were referenced to the Committee, and 14 were reported from the Committee. The full Assembly considered and passed 17 energy bills. Eight 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 2022

A. BUDGET HIGHLIGHTS

Utility Assessments

The SFY 2022-2023 Budget included provisions that:

- extend for an additional year the authorization for certain energy-siting related 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,
- extend for an additional year NYSERDA's authorization to receive up to \$22.8 million from an assessment on gas and electric corporations, including \$1 million for the University of Rochester's Laboratory for Laser Energetics.

Utility Arrears Relief Program

The SFY 2022-2023 Budget included provisions that:

- allocate \$250 million for the reduction of gas and electric utility arrears for residential customers.

Zero-Emission School Buses

The SFY 2022-2023 Budget included provisions that:

- direct NYSERDA, in consultation with the Department of Public Service and Department of Transportation, to establish a zero-emission public transportation system and school bus road map to identify actions needed to meet fleet conversion targets;
- require school districts to only purchase or lease zero-emission school buses beginning July 1, 2027;
- require school districts to only operate zero-emission school buses beginning July 1, 2035; and,
- authorize school districts to apply for an extension of up to two years to meet the procurement requirements.

B. COMMITTEE LEGISLATION

Advanced Building Codes, Appliance and Equipment Efficiency Standards

(A.10439 Fahy; Chapter 374 of the Laws of 2022)

The Advanced Building Codes, Appliance and Equipment Efficiency Standards Act updates the State Energy Conservation Construction Code to reflect the passage of the Climate Leadership and Community Protection Act (CLCPA). The CLCPA established clean energy and emission reduction goals. According to the New York State Energy Research and Development Authority, buildings account for 30 percent of economy-wide greenhouse gas emissions.

This law authorizes the Building Code Council to establish an updated construction code to incorporate energy conservation and clean energy features for the construction or rehabilitation of a building and stronger energy efficiency standards for building appliances and infrastructure. To ensure disadvantaged communities are not disproportionately impacted by adopted regulations, NYSERDA will conduct public meetings to provide meaningful opportunities for public comment. NYSERDA indicates that updated appliance and equipment efficiency standards will help reduce building-related emissions, lower energy consumption and result in approximately \$15 billion in utility bill savings.

Utility Thermal Energy Network and Jobs Act

(A.10493 Joyner; Chapter 375 of 2022)

The Utility Thermal Energy Network and Jobs Act directs the Public Service Commission to initiate a proceeding that will establish a regulatory structure for utility thermal energy networks. Thermal energy networks are pipe loops that connect multiple buildings with each other and transfer thermal energy using non-combustible liquids. The PSC proceeding will consider ownership, markets, and rate structures and whether thermal energy networks are in the public interest. The PSC will then establish regulations that facilitate and ensure market equity is achieved, greenhouse gas emissions are reduced, and workforce training and transition is promoted. In addition, this law authorizes and requires eligible utilities to establish up to five thermal energy network

pilot projects, with at least one project being developed in a disadvantaged community in each service territory. Thermal energy networks will help reduce building emissions, promote renewable energy technology innovation, and support the goals of the CLCPA.

Critical Infrastructure Protection
(3904-B Cusick; Chapter 743 of 2022)

According to the U.S. Cybersecurity and Infrastructure Security Agency (CISA) and the Department of Energy, hackers have demonstrated the ability to take control of energy generation and infrastructure assets. This legislation is intended to help protect the critical energy infrastructure of the State from cyber-attacks by authorizing the Division of Homeland Security and Emergency Services to conduct critical infrastructure vulnerability assessments and develop strategies that may be used to protect such infrastructure from cyber-attacks. In addition, the Public Service Commission would require utilities to include cyber-attack response plans in their annual submissions of emergency response plans. This legislation would also authorize the PSC to establish regulations that would direct utilities to develop and implement tools to monitor potential cyber threats to their infrastructure.

New York Renewable Energy Laboratory
(A.7404-A Steck; Chapter 396 of 2022)

This law directs the New York State Energy Research and Development Authority to prepare a report on the feasibility, costs and benefits of establishing the New York Renewable Energy Laboratory, which would support the development of renewable energy and energy efficiency technology. The report will examine partnership development between the private sector and educational institutions, determine if the laboratory would facilitate the development of innovative renewable energy and energy efficiency technology, and examine how the laboratory will support the inclusion of minority students, scientists, engineers and minority- and women-owned businesses in its programs.

Zero-Emission State-Owned Fleet Vehicles
(A.2412-B Fahy; Chapter 789 of 2022)

This law requires the Office of General Service (OGS), in consultation with the New York State Energy Research and Development Authority, to develop and implement a state fleet procurement plan for the purchase or lease of zero-emission State vehicles. This law also requires that by January 1, 2030, all passenger vehicles purchased by or for the State be zero-emission vehicles and by January 1, 2035, all medium and heavy duty vehicles purchased by or for the State be zero-emission vehicles where feasible.

Agricultural and Farmland Protection Programs
(A.9328-B Lupardo; Chapter 652 of 2022)

This law helps protect viable agricultural land by establishing the Agricultural and Farmland Viability Protection Fund. The New York State Energy Research and Development Authority charges developers a fee for developing renewable energy projects on farmland. This law requires such funds to be deposited into the new protection fund and used for agricultural and farmland protection activities pursuant to the Agriculture and Markets Law.

Electric Vehicle Commercial Tariff
(A.8797 Cusick; Chapter 168 of 2022)

This law provides technical amendments to Chapter 822 of 2021 related to the establishment of a specific electric vehicle charging commercial tariffs to facilitate the development of faster charging stations for electric vehicles. The changes specify that the Public Service Commission, rather than the individual gas and electric corporations, is required to commence a proceeding to establish a commercial tariff utilizing alternatives to traditional demand-based rate structures, other operating cost relief mechanisms, or a combination thereof to facilitate faster charging for eligible light duty, heavy duty, and fleet electric vehicles. The Commission will evaluate the costs and benefits of proposed solutions, including technology-agnostic solutions, mechanisms to ensure customers can opt into solutions without unreasonable delay, solutions for existing and new customers, mechanisms that would provide cost relief for customers during each gas and electric corporation monthly billing cycle and service territory specific solutions.

Fuel-Flexible Generation
(A.3768-A Cusick; Chapter 691 of 2022)

This law authorizes individuals who have fuel-flexible linear generator electric generating equipment to receive bill credits for net metered power and provides for the interconnection of such equipment at both residential and non-residential levels.

Net-Meter Credit Donation
(A.7703 McMahon; Veto Memo 182)

This legislation directs utilities to establish a low-income energy assistance pool and file their proposal with the Public Service Commission for approval. Individuals who net-meter energy will be authorized to donate bill credits to the pool to help reduce the cost of electricity for eligible individuals in their utility's service territory. The PSC will determine the eligibility of the assistance pool and consider qualifications including demographics and economic factors.

Utility Intervenor Reimbursement Account
(A.873-A Cahill; Veto Memo 161)

This legislation establishes the utility intervenor reimbursement account to improve public participation in Public Service Commission proceedings, including utility rate cases. The account would allow individuals or not-for-profit organizations to apply for reimbursement of reasonable advocate fees, expert witness fees and other costs for preparation and participation in a proceeding related to the cost of gas, electricity, steam or submetering.

Electric Bill Transparency
(A.7256-A Rivera, JD; Veto Memo 145)

Demand meters are used for larger businesses and record electricity usage, as well as peak consumption. This legislation will require bills for demand metered customers to include quantity of electricity used, unit of measurement and the highest energy usage over the previous year. This information will provide demand metered customers a better understanding of their bills.

Farmland Conservation
(A.7696 Barrett; Veto Memo 39)

The Build-Ready program, administered by the New York State Energy Research and Development Authority, advances large-scale renewable energy projects on existing or abandoned commercial sites, brownfields, landfills, former industrial sites and other underutilized sites. Agricultural land is less challenging to build renewable energy projects on, making it attractive to developers. This legislation would prohibit the New York State Energy Research and Development Authority from developing Build-Ready sites on viable agricultural land.

Repurposing Dormant Electric Generating Sites
(A.340-B Zebrowski; Veto Memo 46)

Dormant generating facilities have the necessary infrastructure in place to support renewable energy systems, such as transmission and interconnection to the grid. This legislation directs the New York State Energy Research and Development Authority to prepare a report on the suitability of siting renewable energy systems at dormant or decommissioned electric generating facilities. This legislation would help the State meet the goals of the CLCPA, as well as provide economic benefits to host communities.

Microgrid Report
(A.8418-A Cruz; Veto Memo 57)

A microgrid is a group of interconnected loads and distributed energy resources that acts as a single controllable entity and can connect and disconnect from the grid. This legislation directs the New York State Energy Research and Development Authority, in consultation with Department of Public Service and the Division of Homeland Security and Emergency Service to prepare a report on the establishment of microgrids for critical infrastructure. Microgrids help provide local power when the grid is down or offline. This report will develop recommendations for establishing microgrids at hospitals, first responder headquarters, emergency shelters, schools, filtration plants and other critical facilities to help ensure continuity of operations for these facilities during grid-affecting events.

Electric Vehicle Fast Charging Station Implementation Plan
(A.10100 Englebright; Passed Assembly)

As electric vehicles continue to become more prevalent, it is critical that charging station infrastructure development keeps pace with demand. This legislation would direct the New York State Energy Research and Development Authority, in consultation with the New York Power Authority, the Departments of Transportation, Environmental Conservation Public Service, and the Fast Charge NY working group to develop a comprehensive electric vehicle fast charging station implementation plan. The plan will help facilitate the development and construction of new fast charging stations across the State, accelerate the transition to electric vehicles and reduce pollution.

PUBLIC OVERSIGHT AND HEARINGS

Deployment of Electric Vehicle (EV) Charging Stations

On February 10th, the Assembly held a public hearing to examine the development of EV charging stations across the State. The public hearing was conducted by the Assembly Standing Committees on Energy, Science and Technology, Environmental Conservation, and Transportation. The purpose of this hearing was to receive testimony on the status of EV charging station development in the State and to obtain information on future plans and goals for accelerated implementation. The Committees were interested in what planning is being undertaken and what state and federal funding is being made available by agencies, authorities, and utilities, to increase the availability of public EV charging stations in commercial settings including workplaces, urban, suburban and rural areas, environmental justice communities, and along highways. The Committees received testimony regarding what steps are being taken to improve EV charger access, as well as what resources are available to increase EV charger stations. Various State agencies, utilities, labor organizations and advocates testified in the hearing.

All-Electric Buildings

On May 12th, the Assembly held a public hearing to examine the feasibility and timing of requiring new building construction to be all-electric. The public hearing was conducted by the Assembly Standing Committees on Energy, Governmental Operations, Environmental Conservation, and the Assembly Climate Change Work Group. The purpose of this hearing was to receive testimony on the feasibility and timing of the implementation of all-electric requirements in new construction, and to examine potential impacts to energy infrastructure and ratepayers. According to the 2021 Statewide Greenhouse Gas Emissions Report, buildings accounted for 32 percent of statewide emissions in 2019, primarily because of fuel combustion. The Committees received testimony regarding the feasibility of implementing all-electric requirements in new construction, as well as impacts to energy infrastructure and ratepayers. Various State agencies, utilities, labor and trade organizations, and advocates testified in the hearing.

The Role of State Authorities in the Development of Renewable Energy

On July 28th, the Assembly held a public hearing to examine the role of State authorities in facilitating the development of renewable energy to meet the goals of the Climate Leadership and Community Protection Act. The public hearing was conducted by the Assembly Standing Committees on Corporations, Authorities and Commissions, Energy, and Environmental Conservation. In 2019, the Legislature passed the Climate Leadership and Community Protection Act, landmark legislation that set ambitious goals to reduce greenhouse gas emissions and expand the use of renewable energy technology in the State. The CLCPA was a critical step forward in addressing the climate crisis in our state, as well as making New York a national leader in addressing climate change. The CLCPA set a goal to attain an electric grid served by 70 percent renewable energy generation by 2030 and a zero-emissions grid by 2040. The Committees received testimony from State agencies, utilities, labor and trade organizations, renewable energy developers and advocates.

OUTLOOK FOR 2023

During the 2023 legislative session, the Energy Committee will continue to oversee State energy policy to ensure that consumers are provided safe and reliable energy. 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 clean energy targets outlined in the Climate Leadership and Community Protection Act.

APPENDIX A

2022 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	2	0	2
Judiciary	0	0	0
Ways and Means	5	0	5
Rules	6	0	6
Floor	1	0	1
Total	14	0	14
<u>Bills Held for Consideration</u>	8	0	8
<u>Bills Defeated</u>	0	0	0
<u>Bills Enacting Clause Stricken</u>	0	0	0
<u>Bills Never Reported, Remained in Committee</u>	73	6	79
TOTAL NUMBER OF COMMITTEE MEETINGS HELD			4

APPENDIX B

ENERGY BILLS THAT PASSED BOTH HOUSES

Assembly Bill	Sponsor	Description	Final Action
A.340-B	Zebrowski	Directs NYSERDA to prepare a report regarding the replacement of decommissioned or soon to be decommissioned electric generating sites with renewable energy development and energy storage.	Veto Memo 46
A.873-A	Cahill	Establishes the utility intervenor reimbursement account.	Veto Memo 161
A.2412-B	Fahy	Establishes a procurement plan for the purchase or lease of zero emission vehicles for the state fleet.	Chapter 789
A.3768-A	Cusick	Relates to net energy metering for fuel-flexible linear generator electric generating equipment.	Chapter 691
A.3904-B	Cusick	Relates to critical energy infrastructure security and responsibility.	Chapter 743
A.7256-A	Rivera JD	Improves billing transparency for demand-metered electric utility customers.	Veto Memo 145
A.7404-A	Steck	Directs NYSERDA to prepare a report on the establishment of a New York renewable energy laboratory.	Chapter 396
A.7696	Barrett	Prohibits development of Build-Ready sites by NYSERDA on viable agricultural land.	Veto Memo 39

A.7703	McMahon	Allows certain net-metered utility customers who generate solar electricity to donate bill credits to low-income families.	Veto Memo 182
A.8418-A	Cruz	Directs NYSERDA to develop recommendations regarding the establishment of microgrids.	Veto Memo 57
A.8797	Cusick	Chapter amendment making technical amendments.	Chapter 168
A.9328-B	Lupardo	Requires certain funds received by NYSERDA that are related to renewables development on agricultural lands to be used for farmland protection programs.	Chapter 652
A.10439	Fahy	Establishes the "Advanced Building Codes, Appliance and Equipment Efficiency Standards Act of 2022."	Chapter 374
A.10493	Joyner	Establishes the "Utility Thermal Energy Network and Jobs Act."	Chapter 375

APPENDIX C
ENERGY BILLS THAT PASSED
THE ASSEMBLY

Assembly Bill	Sponsor	Description	Final Action
A.10100	Englebright	Requires NYSERDA to develop a comprehensive electric vehicle fast charging station implementation plan.	Passed Assembly