

1056--A

2011-2012 Regular Sessions

I N S E N A T E

(PREFILED)

January 5, 2011

Introduced by Sens. PARKER, DIAZ, DUANE, HASSELL-THOMPSON, KRUEGER, KRUGER, PERKINS, SAMPSON, SERRANO, STAVISKY -- read twice and ordered printed, and when printed to be committed to the Committee on Energy and Telecommunications -- committee discharged, bill amended, ordered reprinted as amended and recommitted to said committee

AN ACT to amend the public authorities law, in relation to the power authority of the state of New York and the public authorities control board, and in relation to directing the New York state energy research and development authority to conduct a study related to the state's natural gas infrastructure

THE PEOPLE OF THE STATE OF NEW YORK, REPRESENTED IN SENATE AND ASSEMBLY, DO ENACT AS FOLLOWS:

1 Section 1. Subdivision 1 of section 51 of the public authorities law
2 is amended by adding a new paragraph o to read as follows:
3 O. POWER AUTHORITY OF THE STATE OF NEW YORK
4 S 2. Section 1005 of the public authorities law is amended by adding a
5 new subdivision 11-a to read as follows:
6 11-A. NOTWITHSTANDING ANY OTHER PROVISION OF LAW TO THE CONTRARY, THE
7 AUTHORITY SHALL NOT UNDERTAKE ANY PROJECT OR SALE OF ANY ASSET EXCEEDING
8 ONE MILLION DOLLARS IN VALUE WITHOUT THE APPROVAL OF THE PUBLIC AUTHORI-
9 TIES CONTROL BOARD CREATED PURSUANT TO ARTICLE ONE-A OF THIS CHAPTER.
10 EACH APPLICATION TO THE PUBLIC AUTHORITIES CONTROL BOARD SHALL CONTAIN A
11 PROJECT DESCRIPTION OR DESCRIPTION OF SALE AND AN EXPLANATION OF WHY THE
12 PROJECT OR SALE MEETS THE STANDARDS FOR PROJECT APPROVAL OR APPROVAL OF
13 SALE SET FORTH IN THIS SUBDIVISION. THE PUBLIC AUTHORITIES CONTROL BOARD
14 SHALL ONLY APPROVE A PROJECT OR SALE PROPOSED BY THE AUTHORITY UPON ITS
15 DETERMINATION THAT:
16 A. THE PROJECT OR SALE IS FINANCIALLY FEASIBLE AS THE STANDARD AS
17 DEFINED IN ARTICLE ONE-A OF THIS CHAPTER;

EXPLANATION--Matter in ITALICS (underscored) is new; matter in brackets
[] is old law to be omitted.

LBD02114-02-1

1 B. THE PROJECT OR SALE IS ANTICIPATED TO RESULT GENERALLY IN LOWER
2 UTILITY RATES IN THE STATE; AND

3 C. THE PROJECT OR SALE WILL NOT MATERIALLY ADVERSELY AFFECT OVERALL
4 REAL PROPERTY TAXES OR UTILITY RATES IN ANY AREAS OF THE STATE OF NEW
5 YORK.

6 S 3. Temporary special commission on restructuring the power authority
7 of the state of New York. 1. There shall be a temporary special commis-
8 sion on restructuring the power authority of the state of New York,
9 which shall possess the powers and duties as specified in this section,
10 and also all powers necessary or proper to enable such commission to
11 carry out the purposes for which it is established. The temporary
12 special commission shall consist of eight members as follows: two of
13 whom shall be appointed by the governor, two of whom shall be appointed
14 by the temporary president of the senate, two of whom shall be appointed
15 by the speaker of the assembly, one of whom shall be appointed by the
16 minority leader of the senate and one of whom shall be appointed by the
17 minority leader of the assembly. Each member shall serve at the pleasure
18 of the respective appointing person. One of the members appointed by
19 the governor shall be selected by the governor to serve as chair of the
20 temporary special commission. The temporary special commission shall be
21 subject to articles 6 and 7 of the public officers law. Each member of
22 the temporary special commission shall be subject to the provisions of
23 article 4 of the public officers law.

24 2. The temporary special commission on restructuring the power author-
25 ity of the state of New York shall have the power and duty to:

26 (a) conduct hearings, discussions, and negotiations among members of
27 the public, affected businesses, and representatives of government; and

28 (b) issue a final report to the governor and legislature detailing
29 recommendations on restructuring the power authority of the state of New
30 York, including, but not limited to, the following issues: the divesti-
31 ture of such authority's non-hydroelectric generation assets; such
32 authority's role as a transmission provider; such authority's role in
33 the power for jobs and economic development power programs; such author-
34 ity's energy efficiency programs; such authority's relationship with,
35 and obligation to, host communities, including, but not limited to,
36 payments-in-lieu of taxes to local municipalities and school districts,
37 economic development investments, and community revitalization initi-
38 atives; and such authority's role in a deregulated energy market. On or
39 before September 1, 2012 such commission shall transmit such report to
40 the governor, the speaker of the assembly, the minority leader of the
41 assembly, the temporary president of the senate, the minority leader of
42 the senate, the chairman of the assembly energy committee and the chair-
43 man of the senate energy and telecommunications committee.

44 S 4. The public authorities law is amended by adding a new section
45 1855-a to read as follows:

46 S 1855-A. NATURAL GAS SUPPLY AND INFRASTRUCTURE STUDY. 1. THE AUTHORI-
47 TY SHALL UNDERTAKE A STUDY OF ISSUES, INCLUDING BUT NOT LIMITED TO THE
48 SUPPLY, TRANSPORTATION, PIPELINE CAPACITY, DISTRIBUTION AND STORAGE OF
49 NATURAL GAS IN NEW YORK STATE. THE AUTHORITY MAY CONTRACT WITH AN INDE-
50 PENDENT AND COMPETITIVELY SELECTED CONTRACTOR TO UNDERTAKE SUCH STUDY.
51 THE AUTHORITY SHALL PREPARE A REPORT ON ITS FINDINGS AND LEGISLATIVE
52 RECOMMENDATIONS. ON OR BEFORE SEPTEMBER FIRST, TWO THOUSAND TWELVE, THE
53 AUTHORITY SHALL TRANSMIT SUCH REPORT TO THE GOVERNOR, THE TEMPORARY
54 PRESIDENT OF THE SENATE, THE SPEAKER OF THE ASSEMBLY, THE CHAIRMAN OF
55 THE SENATE ENERGY AND TELECOMMUNICATIONS COMMITTEE AND THE CHAIRMAN OF
56 THE ASSEMBLY ENERGY COMMITTEE.

1 2. THE STUDY SHALL INCLUDE, AT A MINIMUM, AN ASSESSMENT OF EACH OF THE
2 FOLLOWING:

3 (A) CURRENT UTILITY PRACTICES IN PROCURING THE COMMODITY OF NATURAL
4 GAS AND A COMPARISON, BY UTILITY TERRITORY IN THE STATE, OF IMPACTS ON
5 RATES FOR END-USE CUSTOMERS; (B) THE CURRENT AND PROJECTED ADEQUACY OF
6 THE NATURAL GAS INFRASTRUCTURE, INCLUDING TRANSPORTATION, PIPELINE
7 CAPACITY, DISTRIBUTION AND STORAGE IN NEW YORK STATE; (C) ADEQUACY OF
8 TRANSPORTATION AND DISTRIBUTION IN DENSELY POPULATED AREAS OF THE STATE
9 AND IN RURAL AREAS OF THE STATE; (D) INVESTMENT IN INFRASTRUCTURE,
10 INCLUDING CAPITAL IMPROVEMENTS, UTILIZATION OF NEW TECHNOLOGY, EXPAN-
11 SIONS, AND MAINTENANCE; (E) THE ADEQUACY OF TRANSPORTATION AND DISTRIB-
12 UTION INFRASTRUCTURE IN AREAS WHERE NATURAL GAS FUELED ELECTRIC GENERAT-
13 ING PLANTS ARE PROPOSED; (F) INDIGENOUS SOURCES OF NATURAL GAS IN THE
14 STATE; (G) WORKFORCE ADEQUACY, INCLUDING THE AVAILABILITY OF SKILLED
15 LABORERS AND THE ADEQUACY OF SKILLS TRAINING AND APPRENTICESHIP
16 PROGRAMS; AND (H) THE POTENTIAL IMPACT OF DISTRIBUTED GENERATION AND
17 COMBINED HEAT AND POWER SYSTEMS ON NATURAL GAS TRANSPORTATION AND
18 DISTRIBUTION SYSTEM ADEQUACY.

19 S 5. This act shall take effect immediately.