

4221

2009-2010 Regular Sessions

I N S E N A T E

April 17, 2009

Introduced by Sen. SQUADRON -- read twice and ordered printed, and when printed to be committed to the Committee on Energy and Telecommunications

AN ACT to amend the public service law, in relation to payments equivalent to tax by certain electric corporations

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

1 Section 1. Section 66-h of the public service law, as amended by
2 section 15 of part SS-1 of chapter 57 of the laws of 2008, is amended to
3 read as follows:
4 S 66-h. Certain electric corporations; payment equivalent to tax. The
5 commission shall require each electric corporation that purchases elec-
6 tricity from an energy business as defined in subdivision (c) of section
7 three hundred one-i of the tax law (1) that is a co-generation facility,
8 as such term is defined in subdivision two-a of section two of this
9 chapter, or (2) that is a qualifying facility, as such term is defined
10 by section two hundred one of the Public Utility Regulatory Policies Act
11 of 1978 (Public Law 95-617) that is a co-generation facility, or (3)
12 that has executed or will execute a contract for the sale of electricity
13 through negotiation with an electric corporation or an auction conducted
14 by an electric corporation pursuant to a competitive bidding plan
15 approved by the commission, to pay, in addition to payments made for
16 such purchased electricity under a contract with such electric corpo-
17 ration, an amount equal to the tax imposed under article thirteen-A of
18 the tax law with respect to each Mcf of natural gas used to generate
19 such electricity and, WITH RESPECT TO CONTRACTS EXECUTED PRIOR TO JANU-
20 ARY FIRST, TWO THOUSAND, the sales and compensating use taxes imposed on
21 such gas by or pursuant to the authority of section eleven hundred seven
22 or subdivision (a) of section twelve hundred ten of the tax law, unless
23 such sales and compensating use taxes imposed are otherwise accounted
24 for in the payments the electric corporation makes under that contract;

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

LBD07492-01-9

1 provided, however, that any such amount paid by such electric corpo-
2 ration shall be recovered through a fuel adjustment mechanism authorized
3 by the commission; provided, further, that such amount shall not be
4 recovered from charges for residential use provided by such electric
5 corporation.

6 S 2. This act shall take effect immediately.