S T A T E O F N E W Y O R K

7767

I N S E N A T E

June 18, 2012

Introduced by Sens. YOUNG, MAZIARZ, NOZZOLIO -- read twice and ordered printed, and when printed to be committed to the Committee on Rules

AN ACT to require the power authority of the state of New York to conduct an analysis of the economic viability of certain electric generating facilities

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

Section 1. (a) Within 90 days of the effective date of this act, the power authority of the state of New York shall conduct an analysis of the current economic viability of load producing electric generating facilities, and as deemed feasible and advisable by the board of trustees of such authority, taking full consideration of the requirements and viability of the entire power generating system needs of the state of New York, with special consideration of the ratepayers and taxpayers of the state, shall recommend entering into a purchase power agreement with the owners and operators of such facilities, if such owners and operators meet and agree upon the conditions in subdivision (b) of this section. Such power purchase agreements shall be effective upon the conclusion of such 90 day period and be designed to maintain said facilities' power production capacities at a rate sufficient to ensure at least three years worth of no less than a level of operating income necessary to allow said facilities to remain open and functioning reliably and safely and fully staffed at at least ninety percent of current employment levels, payrolls and local community benefits. For the purposes of this subdivision, operating income shall include all expenses of eligible facilities excluding debt service costs, except for verifiable debt service payments related to capital improvements designed to substantially reduce the emission of toxic air pollutants emanating from generators operating at said facility.

(b) The power purchase agreement permitted under subdivision (a) of this section shall only apply to power generating units that currently meet or exceed the minimum standards established in the final rule of the proposed National Emission Standards for Hazardous Air Pollutants. In addition, such owner and/or operator of a generating unit otherwise

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

LBD16060-01-2

eligible for benefits under this section must agree to repower such facility and construct new or retrofit existing generators that:

1. are designed and intended to operate at an electricity production efficiency level of at least forty-eight percent;

2. will be capable of producing at least 600 megawatts of electric generating capacity running at least 7,000 hours per year;

3. will be able to achieve a 2 parts per million limit for nitrous oxide emissions using Lowest Achievable Emission Rate technologies;

4. will utilize Lowest Achievable Emission Rate technologies if feasible, or, at a minimum, Best Available Control Technologies for carbon monoxide and sulfur dioxide emission levels;

5. will safely demolish or decommission the existing generators at an eligible facility; and,

6. will place in service the new electric generating facilities no later than March 31, 2017.

S 2. Notwithstanding any limitations or conditions contained in paragraph 8 of subdivision (a) and paragraph 7 of subdivision (c) of section 188-a of the economic development law, any power purchased by the power authority of the state of New York pursuant to section one of this act shall be considered Recharge New York power, and shall be utilized to augment Recharge New York power allocations for eligible businesses as defined in paragraph 5 or 7 of subdivision (a) of section 188-a of the economic development law that are recommended for a Recharge New York power allocation pursuant to part CC of chapter 60 of the laws of 2011.

S 3. This act shall take effect immediately.