

8095--C

2013-2014 Regular Sessions

I N A S S E M B L Y

June 18, 2013

Introduced by M. of A. BRENNAN, McDONALD, HEVESI -- read once and referred to the Committee on Corporations, Authorities and Commissions -- recommitted to the Committee on Corporations, Authorities and Commissions in accordance with Assembly Rule 3, sec. 2 -- committee discharged, bill amended, ordered reprinted as amended and recommitted to said committee -- again reported from said committee with amendments, ordered reprinted as amended and recommitted to said committee -- again reported from said committee with amendments, ordered reprinted as amended and recommitted to said committee

AN ACT to amend the public authorities law, in relation to authorizing the power authority of the state of New York and the Long Island power authority to participate in public-private transmission projects to improve the state's electric transmission grid

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

1 Section 1. Legislative findings and purpose. The legislature hereby
2 finds and determines that:
3 1. The state's vital electric transmission grid is aging, congested
4 and subject to outages caused by storms, obsolescence and the growing
5 demands for energy by the state's residents, and such problems and
6 conditions pose serious threats to the health, welfare, safety and
7 economic well-being of the people of the state of New York.
8 2. The condition and operation of the state's electric transmission
9 grid is a matter of state concern, and it is in the public interest to
10 provide for the means to repair, replace, reinforce, modernize and
11 expand the state's electric transmission grid to ensure the safe and
12 reliable provision of electric service to the state's residents now and
13 into the future.
14 3. A modernized electric transmission grid and energy highway will
15 also encourage investments in new energy-related infrastructure and
16 technologies, facilitate the development and integration into the power

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

LBD11579-08-4

1 grid of renewable energy resources, and stimulate and support economic
2 development in the state. Public-private transmission projects undertak-
3 en jointly by the owner of transmission facilities, systems and infras-
4 tructure, including the power authority of the state of New York and the
5 Long Island power authority, which provide for the ongoing planning,
6 construction, owning, operating, maintaining and expanding of electric
7 transmission facilities, systems and infrastructure can serve as an
8 effective means to address the aforementioned problems and concerns and
9 stimulate ongoing critical investment in the state's electric trans-
10 mission grid.

11 4. The purposes of this act can be achieved, while managing and miti-
12 gating potential liabilities, by authorizing the power authority of the
13 state of New York and the Long Island power authority to participate in
14 such public-private transmission projects through the formation of
15 subsidiary companies.

16 S 2. Section 1001 of the public authorities law is amended by adding a
17 new closing paragraph to read as follows:

18 IT IS FURTHER DECLARED THAT: (A) THERE SHOULD BE FULL COOPERATION AND
19 COORDINATION AMONG PRIVATE AND PUBLIC OWNERS AND OPERATORS OF ELECTRIC
20 TRANSMISSION FACILITIES, SYSTEMS AND INFRASTRUCTURE IN THE STATE,
21 INCLUDING THE AUTHORITY, FOR THE PURPOSE OF EXPEDITIOUSLY CONSTRUCTING,
22 REPAIRING, REPLACING, REINFORCING, MODERNIZING OR EXPANDING THE STATE'S
23 ELECTRIC TRANSMISSION GRID; (B) IT IS DESIRABLE THAT THE AUTHORITY,
24 WHICH OWNS AND OPERATES ELECTRIC TRANSMISSION ASSETS IN THE STATE,
25 PARTICIPATE IN PUBLIC-PRIVATE TRANSMISSION PROJECTS THAT ARE UNDERTAKEN
26 BY A LIMITED LIABILITY COMPANY OR OTHER APPROPRIATE ORGANIZATIONAL
27 STRUCTURE, THROUGH A SUBSIDIARY COMPANY FORMED BY THE AUTHORITY AS
28 AUTHORIZED BY THIS TITLE; AND (C) THE AUTHORITY SHOULD BE AUTHORIZED TO
29 PARTICIPATE IN PUBLIC-PRIVATE TRANSMISSION PROJECTS AND TRANSFER TRANS-
30 MISSION ASSETS OR ANY INTEREST THEREIN IN CONNECTION WITH ITS PARTIC-
31 IPATION IN SUCH A LIMITED LIABILITY COMPANY OR OTHER APPROPRIATE ORGAN-
32 IZATIONAL STRUCTURE ON SUCH TERMS AND CONDITIONS AS THE AUTHORITY MAY
33 NEGOTIATE.

34 S 3. Section 1005 of the public authorities law is amended by adding a
35 new subdivision 25 to read as follows:

36 25. A. FOR PURPOSES OF THIS SUBDIVISION, THE FOLLOWING TERMS SHALL
37 HAVE THE MEANINGS INDICATED:

38 (I) "SUBSIDIARY COMPANY" MEANS A SUBSIDIARY COMPANY FORMED,
39 WHOLLY-OWNED AND CONTROLLED BY THE AUTHORITY IN ACCORDANCE WITH AND
40 SUBJECT TO THE BUSINESS CORPORATION LAW, THE NOT-FOR-PROFIT CORPORATION
41 LAW, THE LIMITED LIABILITY COMPANY LAW OR THE TRANSPORTATION CORPO-
42 RATIONS LAW.

43 (II) "TRANSCO MASTER AGREEMENT" MEANS A WRITTEN AGREEMENT PROVIDING
44 FOR THE FORMATION AND OPERATION OF A LIMITED LIABILITY COMPANY OR OTHER
45 ORGANIZATIONAL STRUCTURE TO SERVE AS A TRANSCO COMPANY AND WHICH
46 PROVIDES FOR, AMONG OTHER THINGS, THE RIGHTS AND OBLIGATIONS OF MEMBERS
47 OF SUCH TRANSCO COMPANY.

48 (III) "TRANSCO ANCILLARY AGREEMENT" MEANS A WRITTEN AGREEMENT, OTHER
49 THAN A TRANSCO PROJECT AGREEMENT, BETWEEN THE AUTHORITY OR SUBSIDIARY
50 COMPANY AND THE TRANSCO COMPANY AND/OR MEMBERS OF A TRANSCO COMPANY,
51 MADE IN ACCORDANCE WITH THE TRANSCO MASTER AGREEMENT, FOR THE PURPOSE OF
52 IMPLEMENTING THE TRANSCO MASTER AGREEMENT.

53 (IV) "TRANSCO COMPANY" MEANS AN ENTITY FORMED IN ACCORDANCE WITH A
54 TRANSCO MASTER AGREEMENT PRIMARILY FOR THE PURPOSE OF ENGAGING IN THE
55 BUSINESS OF PLANNING, CONSTRUCTING, OWNING, OPERATING, MAINTAINING, AND

EXPANDING ELECTRIC TRANSMISSION FACILITIES, SYSTEMS AND INFRASTRUCTURE SERVING THE PEOPLE OF THE STATE OF NEW YORK.

(V) "TRANSCO PROJECT" MEANS A PROJECT UNDERTAKEN BY THE TRANSCO COMPANY IN ACCORDANCE WITH A TRANSCO MASTER AGREEMENT.

(VI) "TRANSCO PROJECT AGREEMENT" MEANS A WRITTEN AGREEMENT BETWEEN THE AUTHORITY OR SUBSIDIARY COMPANY AND THE TRANSCO COMPANY AND/OR MEMBERS OF A TRANSCO COMPANY, MADE IN ACCORDANCE WITH THE TRANSCO MASTER AGREEMENT, THAT RELATES TO A SPECIFIC TRANSCO PROJECT.

(VII) "TRANSMISSION ASSETS" MEANS: (1) ALL PHYSICAL ASSETS (INCLUDING BUT NOT LIMITED TO ELECTRICAL TRANSMISSION LINES, POLES, TOWERS AND SIMILAR STRUCTURES, CONDUITS, SUBSTATIONS, CONVERTER STATIONS, TRANSFORMERS, CONDUCTORS, INSULATORS, SWITCHING DEVICES, CONTROLS, BREAKERS, BUSES, STATIONS, RECTIFIERS, REGULATORS, EMERGENCY AND PROTECTIVE EQUIPMENT AND DEVICES, UTILITY INTERCONNECTIONS AND OTHER EQUIPMENT USED OR NECESSARY FOR THE CONTROL, DISPATCH, RECEIPT AND DELIVERY OF ENERGY BY SUCH FACILITIES) USED FOR THE PURPOSE OF TRANSMITTING OR DELIVERING DIRECT OR ALTERNATING CURRENT ELECTRIC ENERGY AT VOLTAGES PRIMARILY OF ONE HUNDRED KILOVOLTS OR HIGHER TO LOADS OR INTERCONNECTION POINTS; AND (2) ALL ASSOCIATED (A) TANGIBLE AND INTANGIBLE PROPERTY USED TO OPERATE, CONTROL, PROTECT AND MAINTAIN SUCH ASSETS, (B) REAL PROPERTY RIGHTS FOR LANDS AND RIGHTS-OF-WAY, SITES, AND PLACES IN WHICH SUCH ASSETS ARE SITUATED OR INSTALLED, AND (C) LEGAL AND REGULATORY RIGHTS, AUTHORIZATIONS, PERMITS, AND CONSENTS OF ANY NATURE TO OWN, OCCUPY, CONSTRUCT, USE, OPERATE AND MAINTAIN, AND RECEIVE OR DISPOSE OF REVENUES FROM SUCH ASSETS OR LANDS ON WHICH SUCH ASSETS ARE SITUATED, EXISTING, OWNED, LEASED, DESIGNED, USED AND OPERATED.

B. NOTWITHSTANDING THE PROVISIONS OF ANY OTHER LAW, THE AUTHORITY MAY (I) PARTICIPATE IN PUBLIC/PRIVATE PARTNERSHIPS TO PROVIDE FOR THE MEANS TO CONSTRUCT, REPAIR, REPLACE, REINFORCE, MODERNIZE AND EXPAND THE STATE'S ELECTRIC TRANSMISSION GRID TO ENSURE THE SAFE AND RELIABLE PROVISION OF ELECTRIC SERVICE TO THE STATE'S RESIDENTS NOW AND INTO THE FUTURE, (II) FORM A SUBSIDIARY COMPANY FOR THE PURPOSE OF PARTICIPATING IN A TRANSCO COMPANY, (III) PARTICIPATE IN THE TRANSCO COMPANY BY CAUSING THE SUBSIDIARY COMPANY TO BECOME A PARTY TO A TRANSCO MASTER AGREEMENT AND EXERCISE THE RIGHTS AND PERFORM THE OBLIGATIONS OF A TRANSCO COMPANY MEMBER AS MAY BE PROVIDED FOR IN A TRANSCO MASTER AGREEMENT, AND (IV) EXERCISE THE OTHER POWERS AND DUTIES PROVIDED FOR BY THIS SUBDIVISION.

C. NOTWITHSTANDING THE PROVISIONS OF ANY OTHER LAW, IN ADDITION TO ANY OTHER POWERS AND DUTIES GRANTED TO IT UNDER THIS TITLE, THE AUTHORITY SHALL BE AUTHORIZED TO:

(I) EXERCISE ALL OF THE RIGHTS AND PRIVILEGES ASSOCIATED WITH ANY OWNERSHIP INTEREST IN OR ORGANIZER OF THE SUBSIDIARY COMPANY;

(II) ISSUE ITS BONDS, NOTES AND OTHER EVIDENCE OF INDEBTEDNESS TO FINANCE THE OPERATIONS OF THE SUBSIDIARY COMPANY, INCLUDING THE SUBSIDIARY COMPANY'S PARTICIPATION IN AND OBLIGATIONS UNDERTAKEN IN CONNECTION WITH A TRANSCO COMPANY;

(III) LEND, OR OTHERWISE TRANSFER MONIES TO THE SUBSIDIARY COMPANY, INCLUDING THE PROCEEDS OF THE AUTHORITY'S BONDS, NOTES, OTHER EVIDENCE OF INDEBTEDNESS AND OTHER AUTHORITY FUNDS;

(IV) RECEIVE MONIES FROM THE SUBSIDIARY COMPANY, INCLUDING MONIES THAT RESULT FROM THE OPERATION OF THE TRANSCO COMPANY;

(V) AS DEEMED FEASIBLE AND ADVISABLE BY THE TRUSTEES, TRANSFER TO THE SUBSIDIARY COMPANY TRANSMISSION ASSETS OR INTERESTS THEREIN THAT HAVE BEEN OR ARE EXPECTED TO BE USED IN PROJECTS UNDERTAKEN BY THE TRANSCO

COMPANY FOR SUCH CONSIDERATION AND ON SUCH OTHER TERMS AND CONDITIONS AS THE AUTHORITY SHALL NEGOTIATE;

(VI) RECEIVE FROM THE SUBSIDIARY COMPANY OR THE TRANSCO COMPANY ANY PERSONAL OR REAL PROPERTY;

(VII) ENTER INTO GUARANTEE AGREEMENTS IN CONNECTION WITH THE SUBSIDIARY COMPANY'S PARTICIPATION IN THE TRANSCO COMPANY;

(VIII) ENTER INTO CONTRACTS AND OTHER FORMS OF AGREEMENT WITH THE TRANSCO COMPANY, THE SUBSIDIARY COMPANY AND OTHER MEMBERS OF THE TRANSCO COMPANY;

(IX) PLEDGE OR ASSIGN ALL OR ANY PORTION OF ANY INTEREST IN A TRANSCO COMPANY;

(X) TRANSFER AND RECEIVE ALL OR ANY PORTION OF ANY INTEREST IN A TRANSCO COMPANY;

(XI) SELL, PURCHASE, OR OTHERWISE TRANSFER ALL OR ANY PORTION OF ANY INTEREST IN A TRANSCO COMPANY ON SUCH TERMS AND CONDITIONS AS THE AUTHORITY DEEMS APPROPRIATE;

(XII) ASSIGN ONE OR MORE EMPLOYEES TO PROVIDE SERVICES TO A TRANSCO COMPANY FOR A SPECIFIED PERIOD OF TIME, PROVIDED THAT ANY SUCH EMPLOYEE SHALL CONTINUE TO BE AN EMPLOYEE OF THE AUTHORITY; AND

(XIII) DISSOLVE OR TERMINATE THE SUBSIDIARY COMPANY IN ACCORDANCE WITH APPLICABLE LAW.

D. NOTWITHSTANDING THE PROVISIONS OF ANY OTHER LAW, NO TRUSTEE, OFFICER OR EMPLOYEE OF THE STATE, OR OF ANY STATE AGENCY, PUBLIC AUTHORITY OR PUBLIC BENEFIT CORPORATION, SHALL BE DEEMED TO HAVE FORFEITED OR SHALL FORFEIT SUCH PERSON'S OFFICE OR EMPLOYMENT OR ANY BENEFITS ASSOCIATED THEREWITH BY REASON OF SUCH PERSON'S ACCEPTANCE OF MEMBERSHIP ON, OR SUCH PERSON BEING AN OFFICER, EMPLOYEE OR AGENT OF A SUBSIDIARY COMPANY, OR BY REASON OF SUCH PERSON'S PROVISION OF SERVICES TO A SUBSIDIARY COMPANY.

E. THE PROVISIONS OF SECTION TWENTY-EIGHT HUNDRED SEVENTY-NINE-A OF THIS CHAPTER SHALL BE APPLICABLE TO ANY TRANSCO MASTER AGREEMENT TO WHICH THE AUTHORITY OR SUBSIDIARY COMPANY IS A PARTY, BUT SHALL BE INAPPLICABLE TO ANY TRANSCO ANCILLARY AGREEMENT OR TRANSCO PROJECT AGREEMENT THAT OTHERWISE SATISFIES THE REQUIREMENTS OF PARAGRAPH (A) OR (B) OF SUBDIVISION ONE OF SUCH SECTION PROVIDED THAT (I) A FINAL OR SUBSTANTIALLY NEGOTIATED FORM OF SUCH TRANSCO ANCILLARY AGREEMENT OR TRANSCO PROJECT AGREEMENT, AS THE CASE MAY BE, IS ANNEXED TO A TRANSCO MASTER AGREEMENT THAT HAS BECOME VALID AND ENFORCEABLE IN ACCORDANCE WITH THE PROVISIONS OF SECTION TWENTY-EIGHT HUNDRED SEVENTY-NINE-A OF THIS CHAPTER, AND (II) IN THE CASE OF A TRANSCO PROJECT AGREEMENT, THE FINAL EXECUTED FORM OF SUCH TRANSCO PROJECT AGREEMENT IS LIMITED TO A TRANSCO PROJECT THAT WAS IDENTIFIED IN SUCH TRANSCO MASTER AGREEMENT.

F. THE PROVISIONS OF TITLE FIVE-A OF ARTICLE NINE OF THIS CHAPTER SHALL BE INAPPLICABLE TO ANY DISPOSAL OF PROPERTY BY THE AUTHORITY OR SUBSIDIARY COMPANY THAT (I) IS OTHERWISE AUTHORIZED BY THIS TITLE, OR (II) IS MADE IN ACCORDANCE WITH A TRANSCO MASTER AGREEMENT THAT HAS BECOME VALID AND ENFORCEABLE IN ACCORDANCE WITH THE PROVISIONS OF SECTION TWENTY-EIGHT HUNDRED SEVENTY-NINE-A OF THIS CHAPTER.

G. NO ACTS OR ACTIVITIES TAKEN OR PROPOSED TO BE TAKEN BY THE AUTHORITY OR A SUBSIDIARY COMPANY PURSUANT TO THE PROVISIONS OF THIS SUBDIVISION, INCLUDING THE EXECUTION OF A TRANSCO MASTER AGREEMENT, AND THE ISSUANCE OF BONDS, NOTES, OR OTHER OBLIGATIONS, SHALL BE DEEMED TO BE "ACTIONS" FOR THE PURPOSES OR WITHIN THE MEANING OF ARTICLE EIGHT OF THE ENVIRONMENTAL CONSERVATION LAW.

H. NOTWITHSTANDING THE PROVISIONS OF ANY OTHER LAW, THE AUTHORITY AND THE SUBSIDIARY COMPANY MAY ONLY PARTICIPATE IN A TRANSCO COMPANY THAT

1 CONSTRUCTS, REPAIRS, REPLACES, REINFORCES, MODERNIZES OR EXPANDS TRANS-
2 MISSION ASSETS, AND MAY NOT PARTICIPATE IN A TRANSCO COMPANY THAT
3 FINANCES OR CONSTRUCTS NEW ELECTRIC GENERATING FACILITIES.

4 S 4. Section 1020-a of the public authorities law, as added by chapter
5 517 of the laws of 1986, is amended by adding a new closing paragraph to
6 read as follows:

7 THE LEGISLATURE FURTHER FINDS AND DECLARES THAT: (I) THERE SHOULD BE
8 FULL COOPERATION AND COORDINATION AMONG PRIVATE AND PUBLIC OWNERS AND
9 OPERATORS OF ELECTRIC TRANSMISSION FACILITIES, SYSTEMS AND INFRASTRUC-
10 TURE IN THE STATE, INCLUDING THE AUTHORITY, FOR THE PURPOSE OF EXPE-
11 DITIONALLY CONSTRUCTING, REPAIRING, REPLACING, REINFORCING, MODERNIZING
12 OR EXPANDING THE STATE'S ELECTRIC TRANSMISSION GRID; (II) IT IS DESIRA-
13 BLE THAT THE AUTHORITY, WHICH OWNS AND OPERATES ELECTRIC TRANSMISSION
14 ASSETS IN THE STATE, PARTICIPATES IN PUBLIC-PRIVATE TRANSMISSION
15 PROJECTS THAT ARE UNDERTAKEN BY A LIMITED LIABILITY COMPANY OR OTHER
16 APPROPRIATE ORGANIZATIONAL STRUCTURE, THROUGH A SUBSIDIARY COMPANY
17 FORMED BY THE AUTHORITY AS AUTHORIZED BY THIS TITLE; AND (III) THE
18 AUTHORITY SHOULD BE AUTHORIZED TO PARTICIPATE IN PUBLIC-PRIVATE TRANS-
19 MISSION PROJECTS AND TRANSFER TRANSMISSION ASSETS OR ANY INTEREST THERE-
20 IN IN CONNECTION WITH ITS PARTICIPATION IN SUCH A LIMITED LIABILITY
21 COMPANY OR OTHER APPROPRIATE ORGANIZATIONAL STRUCTURE ON SUCH TERMS AND
22 CONDITIONS AS THE AUTHORITY MAY NEGOTIATE.

23 S 5. Subdivision 2 of section 1020-c of the public authorities law, as
24 added by chapter 517 of the laws of 1986, is amended to read as follows:

25 2. The area of operations of the authority shall be the service area,
26 PROVIDED THAT THE AUTHORITY OR SUBSIDIARY COMPANY MAY OWN AN INTEREST IN
27 TRANSMISSION ASSETS THAT ARE LOCATED IN WHOLE OR IN PART OUTSIDE THE
28 SERVICE AREA.

29 S 6. Section 1020-f of the public authorities law is amended by adding
30 a new subdivision (g-1) to read as follows:

31 (G-1) (I) FOR PURPOSES OF THIS SUBDIVISION, THE FOLLOWING TERMS HAVE
32 THE MEANINGS INDICATED:

33 1. "SUBSIDIARY COMPANY" MEANS A SUBSIDIARY COMPANY FORMED,
34 WHOLLY-OWNED AND CONTROLLED BY THE AUTHORITY IN ACCORDANCE WITH AND
35 SUBJECT TO THE BUSINESS CORPORATION LAW, THE NOT-FOR-PROFIT CORPORATION
36 LAW, THE LIMITED LIABILITY COMPANY LAW OR THE TRANSPORTATION CORPO-
37 RATIONS LAW.

38 2. "TRANSCO MASTER AGREEMENT" MEANS A WRITTEN AGREEMENT PROVIDING FOR
39 THE FORMATION AND OPERATION OF A LIMITED LIABILITY COMPANY OR OTHER
40 ORGANIZATIONAL STRUCTURE TO SERVE AS A TRANSCO COMPANY AND WHICH
41 PROVIDES FOR, AMONG OTHER THINGS, THE RIGHTS AND OBLIGATIONS OF MEMBERS
42 OF SUCH TRANSCO COMPANY.

43 3. "TRANSCO ANCILLARY AGREEMENT" MEANS A WRITTEN AGREEMENT, OTHER THAN
44 A TRANSCO PROJECT AGREEMENT, BETWEEN THE AUTHORITY OR SUBSIDIARY COMPANY
45 AND THE TRANSCO COMPANY AND/OR MEMBERS OF A TRANSCO COMPANY, MADE IN
46 ACCORDANCE WITH THE TRANSCO MASTER AGREEMENT, FOR THE PURPOSE OF IMPE-
47 MENTING THE TRANSCO MASTER AGREEMENT.

48 4. "TRANSCO COMPANY" MEANS AN ENTITY FORMED IN ACCORDANCE WITH A TRAN-
49 SCO MASTER AGREEMENT PRIMARILY FOR THE PURPOSE OF ENGAGING IN THE BUSI-
50 NESS OF PLANNING, CONSTRUCTING, OWNING, OPERATING, MAINTAINING, AND
51 EXPANDING ELECTRIC TRANSMISSION FACILITIES, SYSTEMS AND INFRASTRUCTURE
52 SERVING THE PEOPLE OF THE STATE OF NEW YORK.

53 5. "TRANSCO PROJECT" MEANS A PROJECT UNDERTAKEN BY THE TRANSCO COMPANY
54 IN ACCORDANCE WITH A TRANSCO MASTER AGREEMENT.

55 6. "TRANSCO PROJECT AGREEMENT" MEANS A WRITTEN AGREEMENT BETWEEN THE
56 AUTHORITY OR SUBSIDIARY COMPANY AND THE TRANSCO COMPANY AND/OR MEMBERS

1 OF A TRANSCO COMPANY, MADE IN ACCORDANCE WITH THE TRANSCO MASTER AGREE-
2 MENT, THAT RELATES TO A SPECIFIC TRANSCO PROJECT.

3 7. "TRANSMISSION ASSETS" MEANS: (A) ALL PHYSICAL ASSETS (INCLUDING BUT
4 NOT LIMITED TO ELECTRICAL TRANSMISSION LINES, POLES, TOWERS AND SIMILAR
5 STRUCTURES, CONDUITS, SUBSTATIONS, CONVERTER STATIONS, TRANSFORMERS,
6 CONDUCTORS, INSULATORS, SWITCHING DEVICES, CONTROLS, BREAKERS, BUSES,
7 STATIONS, RECTIFIERS, REGULATORS, EMERGENCY AND PROTECTIVE EQUIPMENT AND
8 DEVICES, UTILITY INTERCONNECTIONS AND OTHER EQUIPMENT USED OR NECESSARY
9 FOR THE CONTROL, DISPATCH, RECEIPT AND DELIVERY OF ENERGY BY SUCH FACIL-
10 ITIES) USED FOR THE PURPOSE OF TRANSMITTING OR DELIVERING DIRECT OR
11 ALTERNATING CURRENT ELECTRIC ENERGY AT VOLTAGES PRIMARILY OF ONE HUNDRED
12 KILOVOLTS OR HIGHER TO LOADS OR INTERCONNECTION POINTS; AND (B) ALL
13 ASSOCIATED (I) TANGIBLE AND INTANGIBLE PROPERTY USED TO OPERATE,
14 CONTROL, PROTECT AND MAINTAIN SUCH ASSETS, (II) REAL PROPERTY RIGHTS FOR
15 LANDS AND RIGHTS-OF-WAY, SITES, AND PLACES IN WHICH SUCH ASSETS ARE
16 SITUATED OR INSTALLED, AND (III) LEGAL AND REGULATORY RIGHTS, AUTHORI-
17 ZATIONS, PERMITS, AND CONSENTS OF ANY NATURE TO OWN, OCCUPY, CONSTRUCT,
18 USE, OPERATE AND MAINTAIN, AND RECEIVE OR DISPOSE OF REVENUES FROM SUCH
19 ASSETS OR LANDS ON WHICH SUCH ASSETS ARE SITUATED, EXISTING, OWNED,
20 LEASED, DESIGNED, USED AND OPERATED.

21 (II) NOTWITHSTANDING THE PROVISIONS OF ANY OTHER LAW, INCLUDING THE
22 PROVISIONS OF SECTION ONE THOUSAND TWENTY-I OF THIS TITLE, THE AUTHORITY
23 MAY 1. FORM A SUBSIDIARY COMPANY FOR THE PURPOSE OF PARTICIPATING IN A
24 TRANSCO COMPANY, 2. PARTICIPATE IN THE TRANSCO COMPANY BY CAUSING THE
25 SUBSIDIARY COMPANY TO BECOME A PARTY TO A TRANSCO MASTER AGREEMENT AND
26 EXERCISE THE RIGHTS AND PERFORM THE OBLIGATIONS OF A TRANSCO COMPANY
27 MEMBER AS MAY BE PROVIDED FOR IN A TRANSCO MASTER AGREEMENT, AND 3.
28 EXERCISE THE OTHER POWERS AND DUTIES PROVIDED FOR BY THIS SUBDIVISION.

29 (III) NOTWITHSTANDING THE PROVISIONS OF ANY OTHER LAW, IN ADDITION TO
30 ANY OTHER POWERS AND DUTIES GRANTED TO IT UNDER THIS TITLE, THE AUTHORI-
31 TY SHALL BE AUTHORIZED TO:

32 1. PARTICIPATE IN PUBLIC/PRIVATE PARTNERSHIPS TO PROVIDE FOR THE
33 MEANS TO CONSTRUCT, REPAIR, REPLACE, REINFORCE, MODERNIZE OR EXPAND THE
34 STATE'S ELECTRIC TRANSMISSION GRID TO ENSURE THE SAFE AND RELIABLE
35 PROVISION OF ELECTRIC SERVICE TO THE SERVICE AREA AND THE STATE'S RESI-
36 DENTS NOW AND INTO THE FUTURE;

37 2. EXERCISE ALL OF THE RIGHTS AND PRIVILEGES ASSOCIATED WITH ANY
38 OWNERSHIP INTEREST IN OR ORGANIZER OF THE SUBSIDIARY COMPANY;

39 3. ISSUE ITS BONDS, NOTES AND OTHER EVIDENCE OF INDEBTEDNESS TO
40 FINANCE THE OPERATIONS OF THE SUBSIDIARY COMPANY, INCLUDING THE SUBSID-
41 IARY COMPANY'S PARTICIPATION IN AND OBLIGATIONS UNDERTAKEN IN CONNECTION
42 WITH A TRANSCO COMPANY;

43 4. LEND, OR OTHERWISE TRANSFER MONIES TO THE SUBSIDIARY COMPANY,
44 INCLUDING THE PROCEEDS OF THE AUTHORITY'S BONDS, NOTES, OTHER EVIDENCE
45 OF INDEBTEDNESS AND OTHER AUTHORITY FUNDS;

46 5. RECEIVE MONIES FROM THE SUBSIDIARY COMPANY, INCLUDING MONIES THAT
47 RESULT FROM THE OPERATION OF THE TRANSCO COMPANY;

48 6. AS DEEMED FEASIBLE AND ADVISABLE BY THE TRUSTEES, TRANSFER TO THE
49 SUBSIDIARY COMPANY TRANSMISSION ASSETS THAT HAVE BEEN OR ARE EXPECTED TO
50 BE USED IN PROJECTS UNDERTAKEN BY THE TRANSCO COMPANY FOR SUCH CONSIDER-
51 ATION AND ON SUCH OTHER TERMS AND CONDITIONS AS THE AUTHORITY SHALL
52 NEGOTIATE;

53 7. RECEIVE FROM THE SUBSIDIARY COMPANY OR THE TRANSCO COMPANY ANY
54 PERSONAL OR REAL PROPERTY;

55 8. ENTER INTO GUARANTEE AGREEMENTS IN CONNECTION WITH THE SUBSIDIARY
56 COMPANY'S PARTICIPATION IN THE TRANSCO COMPANY;

1 9. ENTER INTO CONTRACTS AND OTHER FORMS OF AGREEMENT WITH THE TRANSCO
2 COMPANY, THE SUBSIDIARY COMPANY AND OTHER MEMBERS OF THE TRANSCO COMPA-
3 NY;

4 10. PLEDGE OR ASSIGN ALL OR ANY PORTION OF ANY INTEREST IN A TRANSCO
5 COMPANY;

6 11. TRANSFER AND RECEIVE ALL OR ANY PORTION OF ANY INTEREST IN A TRAN-
7 SCO COMPANY;

8 12. SELL, PURCHASE, OR OTHERWISE TRANSFER ALL OR ANY PORTION OF ANY
9 INTEREST IN A TRANSCO COMPANY ON SUCH TERMS AND CONDITIONS AS THE
10 AUTHORITY DEEMS APPROPRIATE;

11 13. ASSIGN ONE OR MORE EMPLOYEES TO PROVIDE SERVICES TO A TRANSCO
12 COMPANY FOR A SPECIFIED PERIOD OF TIME, PROVIDED THAT ANY SUCH EMPLOYEE
13 SHALL CONTINUE TO BE AN EMPLOYEE OF THE AUTHORITY; AND

14 14. DISSOLVE OR TERMINATE THE SUBSIDIARY COMPANY IN ACCORDANCE WITH
15 APPLICABLE LAW.

16 (IV) NOTWITHSTANDING THE PROVISIONS OF ANY OTHER LAW, NO TRUSTEE,
17 OFFICER OR EMPLOYEE OF THE STATE, OR OF ANY STATE AGENCY, PUBLIC AUTHOR-
18 ITY OR PUBLIC BENEFIT CORPORATION, SHALL BE DEEMED TO HAVE FORFEITED OR
19 SHALL FORFEIT SUCH PERSON'S OFFICE OR EMPLOYMENT OR ANY BENEFITS ASSOCI-
20 ATED THEREWITH BY REASON OF SUCH PERSON'S ACCEPTANCE OF MEMBERSHIP ON,
21 OR SUCH PERSON BEING AN OFFICER, EMPLOYEE OR AGENT OF, A SUBSIDIARY
22 COMPANY, OR BY REASON OF SUCH PERSON'S PROVISION OF SERVICES TO A
23 SUBSIDIARY COMPANY.

24 (V) THE PROVISIONS OF SECTION ONE THOUSAND TWENTY-CC OF THIS TITLE
25 SHALL BE INAPPLICABLE TO ANY TRANSCO MASTER AGREEMENT, TRANSCO ANCILLARY
26 AGREEMENT, OR TRANSCO PROJECT AGREEMENT.

27 (VI) THE PROVISIONS OF SECTION TWENTY-EIGHT HUNDRED SEVENTY-NINE-A OF
28 THIS CHAPTER SHALL BE APPLICABLE TO ANY TRANSCO MASTER AGREEMENT TO
29 WHICH THE AUTHORITY OR SUBSIDIARY COMPANY IS A PARTY, BUT SHALL BE INAP-
30 PPLICABLE TO ANY TRANSCO ANCILLARY AGREEMENT OR TRANSCO PROJECT AGREEMENT
31 THAT OTHERWISE SATISFIES THE REQUIREMENTS OF PARAGRAPH (A) OR (B) OF
32 SUBDIVISION ONE OF SUCH SECTION PROVIDED THAT 1. A FINAL OR SUBSTANTIAL-
33 LY NEGOTIATED FORM OF SUCH TRANSCO ANCILLARY AGREEMENT OR TRANSCO
34 PROJECT AGREEMENT, AS THE CASE MAY BE, IS ANNEXED TO A TRANSCO MASTER
35 AGREEMENT THAT HAS BECOME VALID AND ENFORCEABLE IN ACCORDANCE WITH THE
36 PROVISIONS OF SECTION TWENTY-EIGHT HUNDRED SEVENTY-NINE-A OF THIS CHAP-
37 TER, AND 2. IN THE CASE OF A TRANSCO PROJECT AGREEMENT, THE FINAL
38 EXECUTED FORM OF SUCH TRANSCO PROJECT AGREEMENT IS LIMITED TO A TRANSCO
39 PROJECT THAT WAS IDENTIFIED IN SUCH TRANSCO MASTER AGREEMENT.

40 (VII) THE PROVISIONS OF TITLE FIVE-A OF ARTICLE NINE OF THIS CHAPTER
41 SHALL BE INAPPLICABLE TO ANY DISPOSAL OF PROPERTY BY THE AUTHORITY OR
42 SUBSIDIARY COMPANY THAT 1. IS OTHERWISE AUTHORIZED BY THIS TITLE, OR 2.
43 IS MADE IN ACCORDANCE WITH A TRANSCO MASTER AGREEMENT THAT HAS BECOME
44 VALID AND ENFORCEABLE IN ACCORDANCE WITH THE PROVISIONS OF SECTION TWEN-
45 TY-EIGHT HUNDRED SEVENTY-NINE-A OF THIS CHAPTER.

46 (VIII) THE PROVISIONS OF PARAGRAPH (D) OF SUBDIVISION ONE OF SECTION
47 ONE THOUSAND TWENTY-S OF THIS TITLE AND SECTION THREE-B OF THE PUBLIC
48 SERVICE LAW SHALL BE INAPPLICABLE TO THE RATES, SERVICES AND PRACTICES
49 RELATED TO THE TRANSCO MASTER AGREEMENT AND ANY ACTIONS UNDERTAKEN BY
50 THE AUTHORITY OR SUBSIDIARY CORPORATION IN ACCORDANCE WITH THE TRANSCO
51 MASTER AGREEMENT.

52 (IX) NO ACTS OR ACTIVITIES TAKEN OR PROPOSED TO BE TAKEN BY THE
53 AUTHORITY OR A SUBSIDIARY COMPANY PURSUANT TO THE PROVISIONS OF THIS
54 SUBDIVISION, INCLUDING THE EXECUTION OF A TRANSCO MASTER AGREEMENT, AND
55 THE ISSUANCE OF BONDS, NOTES, OR OTHER OBLIGATIONS, SHALL BE DEEMED TO

1 BE "ACTIONS" FOR THE PURPOSES OR WITHIN THE MEANING OF ARTICLE EIGHT OF
2 THE ENVIRONMENTAL CONSERVATION LAW.

3 (X) NOTWITHSTANDING THE PROVISIONS OF ANY OTHER LAW, THE AUTHORITY AND
4 THE SUBSIDIARY COMPANY MAY ONLY PARTICIPATE IN A TRANSCO COMPANY THAT
5 CONSTRUCTS, REPAIRS, REPLACES, REINFORCES, MODERNIZES OR EXPANDS TRANS-
6 MISSION ASSETS, AND MAY NOT PARTICIPATE IN A TRANSCO COMPANY THAT
7 FINANCES OR CONSTRUCTS NEW ELECTRIC GENERATING FACILITIES.

8 S 7. Severability clause. If any clause, sentence, paragraph, subdivi-
9 sion, section or part of this act shall be adjudged by any court of
10 competent jurisdiction to be invalid, such judgment shall not affect,
11 impair, or invalidate the remainder thereof, but shall be confined in
12 its operation to the clause, sentence, paragraph, subdivision, section
13 or part thereof directly involved in the controversy in which such judg-
14 ment shall have been rendered. It is hereby declared to be the intent of
15 the legislature that this act would have been enacted even if such
16 invalid provisions had not been included therewith.

17 S 8. This act shall take effect immediately.