STATE OF NEW YORK

3114

2017-2018 Regular Sessions

IN SENATE

January 19, 2017

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

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:

Section 1. Subdivision 1 of section 51 of the public authorities law is amended by adding a new paragraph o to read as follows:

o. Power authority of the state of New York

§ 2. Section 1005 of the public authorities law is amended by adding a new subdivision 11-a to read as follows:

11-a. Notwithstanding any other provision of law to the contrary, the authority shall not undertake any project or sale of any asset exceeding one million dollars in value without the approval of the public authorities control board created pursuant to article one-A of this chapter. Each application to the public authorities control board shall contain a project description or description of sale and an explanation of why the project or sale meets the standards for project approval or approval of sale set forth in this subdivision. The public authorities control board shall only approve a project or sale proposed by the authority upon its determination that:

a. the project or sale is financially feasible as the standard as defined in article one-A of this chapter;

b. the project or sale is anticipated to result generally in lower utility rates in the state; and

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

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c. the project or sale will not materially adversely affect overall real property taxes or utility rates in any areas of the state of New York.

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

2. The temporary special commission on restructuring the power authority of the state of New York shall have the power and duty to:

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

(b) issue a final report to the governor and legislature detailing recommendations on restructuring the power authority of the state of New York, including, but not limited to, the following issues: the divestiture of such authority's non-hydroelectric generation assets; such authority's role as a transmission provider; such authority's role in the power for jobs and economic development power programs; such authority's energy efficiency programs; such authority's relationship with, and obligation to, host communities, including, but not limited to, payments-in-lieu of taxes to local municipalities and school districts, economic development investments, and community revitalization initiatives; and such authority's role in a deregulated energy market. On or before September 1, 2020 such commission shall transmit such report to the governor, the speaker of the assembly, the minority leader of the assembly, the temporary president of the senate, the minority leader of the senate, the chairman of the assembly energy committee and the chairman of the senate energy and telecommunications committee.

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

§ 1855-a. Natural gas supply and infrastructure study. 1. The authority shall undertake a study of issues, including but not limited to the supply, transportation, pipeline capacity, distribution and storage of natural gas in New York state. The authority may contract with an independent and competitively selected contractor to undertake such study. The authority shall prepare a report on its findings and legislative recommendations. On or before September first, two thousand twenty, the authority shall transmit such report to the governor, the temporary president of the senate, the speaker of the assembly, the chairman of the senate energy and telecommunications committee and the chairman of the assembly energy committee.

2. The study shall include, at a minimum, an assessment of each of the following:

(a) current utility practices in procuring the commodity of natural gas and a comparison, by utility territory in the state, of impacts on rates for end-use customers; (b) the current and projected adequacy of the natural gas infrastructure, including transportation, pipeline capacity, distribution and storage in New York state; (c) adequacy of transportation and distribution in densely populated areas of the state and in rural areas of the state; (d) investment in infrastructure, including capital improvements, utilization of new technology, expansions, and maintenance; (e) the adequacy of transportation and distribution infrastructure in areas where natural gas fueled electric generating plants are proposed; (f) indigenous sources of natural gas in the state; (g) workforce adequacy, including the availability of skilled laborers and the adequacy of skills training and apprenticeship programs; and (h) the potential impact of distributed generation and combined heat and power systems on natural gas transportation and distribution system adequacy.

§ 5. This act shall take effect immediately.