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Introduced by Sens. BRISPORT, HINCHEY, SALAZAR -- read twice and ordered printed, and when printed to be committed to the Committee on Environmental Conservation -- reported favorably from said committee, ordered to first and second report, ordered to a third reading, amended and ordered reprinted, retaining its place in the order of third reading

AN ACT to amend the environmental conservation law, in relation to establishing the "pollution justice act of 2021" and implementing a plan to replace peaker plants with renewable energy systems

The People of the State of New York, represented in Senate and Assembly, do enact as follows:

1 Section 1. This act shall be known and may be cited as the "pollution
2 justice act of 2021".

3 § 2. Article 19 of the environmental conservation law is amended by
4 adding a new title 13 to read as follows:

TITLE 13

PEAKER PLANTS

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6
7 Section 19-1301. Statement of findings.

8 19-1303. Definitions.

9 19-1305. Mandatory replacement and compliance plan.

10 19-1307. Extensions for cause.

11 19-1309. Prohibitions.

12 19-1311. Exemptions.

13 § 19-1301. Statement of findings.

14 1. Electric generating units that generally operate during periods of
15 peak electricity demand are known as peaker plants. Many peaker plants
16 in the state are older fossil fuel-fired units that emit greenhouse
17 gases and a variety of other harmful air pollutants including sulfur
18 oxides, nitrogen oxides, particulates and mercury.

19 2. A substantial number of peaker plants are located in or adjacent to
20 environmental justice communities in the city of New York and Long
21 Island that already bear disproportionate pollution burdens due to a

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

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1 history of siting pollution sources in those communities. More than one
2 million New Yorkers live within one mile of a peaker plant.

3 3. Pollutants from peaker plants contribute to significant public
4 health problems. According to the New York city department of health and
5 mental hygiene's air pollution and the health of New Yorkers report:
6 "each year, PM2.5 pollution in (New York City) causes more than 3,000
7 deaths, 2,000 hospital admissions for lung and heart conditions, and
8 approximately 6,000 emergency department visits for asthma in children
9 and adults." According to the report, each year exposures to ozone
10 concentrations above background levels cause an estimated "400 premature
11 deaths, 850 hospitalizations for asthma and 4,500 emergency department
12 visits for asthma."

13 4. Peaker plants often operate during summer months when air pollution
14 levels are highest and their emissions add to existing pollution burdens
15 in environmental justice communities and contribute to adverse health
16 effects in those communities from air pollution.

17 5. The owners and operators of peaker plants have received billions of
18 dollars in capacity payments from ratepayers over the last decade to
19 subsidize operation of their plants, even though the plants primarily
20 operate during peak load periods.

21 6. Fossil fuel-burning peaker plants can be replaced with renewable
22 energy systems that will eliminate or significantly reduce air pollution
23 impacts to environmental justice communities from peaker plant oper-
24 ations.

25 7. Replacement of fossil fuel-burning peaker plants with renewable
26 energy systems is in the public interest, will save millions of dollars
27 in environmental and human health-related damages, will promote environ-
28 mental justice and will assist in meeting the greenhouse gas emission
29 reduction and energy storage goals of the climate leadership and commu-
30 nity protection act.

31 § 19-1303. Definitions.

32 1. "Adjacent to" shall mean within a radius of one mile from the plant
33 property boundary.

34 2. "Economically distressed area" shall mean an area characterized by
35 a poverty rate of at least twenty percent or an unemployment rate of at
36 least one hundred twenty-five percent of the statewide unemployment
37 rate.

38 3. "Environmental justice community" means an economically distressed
39 area or minority community and includes, but is not limited to, environ-
40 mental justice areas identified by the department.

41 4. "Ethnic group" shall mean those groups identified in the definition
42 of minority group member in subdivision eight of section three hundred
43 ten of the executive law.

44 5. "Minority community" shall mean any census tract, census block or
45 census block group that includes twenty-five percent or more of any
46 ethnic group.

47 6. "Operating permit" shall have the meaning set forth in subdivision
48 eighteen of section 19-0107 of this article.

49 7. "Renewable energy systems" shall have the meaning set forth in
50 section sixty-six-p of the public service law and may also include firm
51 zero emission resources such as long-duration energy storage.

52 8. "Replace" or "replacement" means the construction and operation of
53 a renewable energy system, battery or energy storage, or transmission
54 and distribution infrastructure that enables the provision of the equiv-
55 alent maximum annual power output achieved by the replaceable peaker

1 plant during any single year during the ten years preceding the
2 submission of an application to renew an operating permit.

3 9. "Replaceable peaker plant" means a major electric generating facil-
4 ity as defined in paragraph b of subdivision one of section 19-0312 of
5 this article that burns coal, oil, diesel or natural gas and was opera-
6 tional and generated electricity less than fifteen percent of the year
7 during at least two years between two thousand ten through two thousand
8 nineteen and that is located in or adjacent to an environmental justice
9 community.

10 § 19-1305. Mandatory replacement and compliance plan.

11 1. The owner or operator of a replaceable peaker plant shall submit to
12 the department as part of an application to renew an operating permit a
13 mandatory replacement and compliance plan that shall include, at a mini-
14 mum, the following:

15 a. The number of days and hours such plant operated during each of the
16 previous ten years;

17 b. The annual power output of such plant for each of the previous ten
18 years;

19 c. The fuel or fuels utilized by such plant to generate power;

20 d. A proposed strategy to replace the plant with renewable energy
21 systems or battery storage or a combination thereof. The strategy shall,
22 at a minimum, set forth the type or types of renewable energy systems
23 and battery storage to be utilized, the proposed location or locations
24 of such renewable energy systems and battery storage, and the electric
25 generating capacity of such renewable energy systems and battery stor-
26 age;

27 e. A timetable for implementation of the proposed replacement strategy
28 that shall not exceed five years from the date of renewal of the operat-
29 ing permit and that shall ensure that the renewable energy systems and
30 battery storage are fully operational, and the operations of the peaker
31 plant can be completely replaced, on or before five years from the date
32 of renewal of the operating permit; and

33 f. A demonstration of how the proposed renewable energy systems and
34 battery storage strategy and timetable for implementation will comply
35 with the renewable energy goals set forth in section sixty-six-p of the
36 public service law.

37 2. The department shall provide public notice of the mandatory
38 replacement and compliance plan and an opportunity for public comment on
39 the plan of not less than sixty days. The department shall hold at least
40 two public hearings on the plan in the affected environmental justice
41 community or communities, with such public hearings offering video
42 participation and accessibility.

43 3. After review and consideration of public comments, the department
44 shall approve, approve with modifications or disapprove the plan.

45 4. Upon approval of the mandatory replacement and compliance plan, the
46 owner or operator of the replaceable peaker plant shall implement the
47 plan in accordance with the schedule set forth in the plan and provide
48 to the department an annual compliance and progress report beginning one
49 year after the department approves the plan. The department shall make
50 each annual compliance and progress report available on its website.

51 5. If the department disapproves a proposed plan, the department shall
52 inform the owner or operator of the replaceable peaker plant in writing
53 of the reasons for such disapproval and shall identify the portions of
54 the disapproved plan that need to be modified. The owner or operator
55 shall submit a modified plan within sixty days of receiving the depart-
56 ment's written notice of disapproval. The modified plan shall be subject

1 to the notice and public comment and hearing procedures set forth in
2 this section.

3 § 19-1307. Extensions for cause.

4 1. The owner or operator of a replaceable peaker plant may apply to
5 the department for a single five-year extension of the deadline for
6 replacement set forth in section 19-1305 of this article.

7 2. The department shall provide public notice of the application for
8 any such extension, and an opportunity for public comment on such appli-
9 cation, of not less than sixty days. The department shall hold at least
10 two public hearings on the application in the affected environmental
11 justice community or communities, with such public hearings offering
12 video participation and accessibility. Any such public hearings shall
13 also explore the option of transitioning the replaceable peaker plant
14 into the ownership or control of the New York power authority, an entity
15 that currently owns and operates several peaker plants in the state, to
16 manage the transition to renewable energy and battery storage systems.

17 3. After review and consideration of public comments, the department
18 shall approve, approve with modifications, or disapprove the application
19 for a single five-year extension.

20 4. The department may only grant an application for an extension
21 request upon a showing by the applicant, by clear and convincing
22 evidence, that (a) replacement of the plant with renewable energy
23 systems and battery storage by the deadline is not feasible, (b) the
24 department of public service, in consultation with the New York inde-
25 pendent system operator, has made a written determination that extending
26 the deadline for the plant is necessary to maintain reliability of the
27 electric grid, and (c) the continued operation of the peaker plant would
28 not result in adverse health impacts for the impacted environmental
29 justice communities.

30 § 19-1309. Prohibitions.

31 1. Except as provided in section 19-1307 of this title, no person
32 shall operate a replaceable peaker plant that is not in compliance with
33 the requirements of this title and the department shall not issue an
34 operating permit or renew an operating permit for a replaceable peaker
35 plant that does not have an approved mandatory replacement and compli-
36 ance plan.

37 2. The department shall not issue an operating permit or renew an
38 operating permit for a replaceable peaker plant that has not completed
39 implementation of a mandatory replacement and compliance plan by the
40 deadline set forth in the plan.

41 § 19-1311. Exemptions.

42 1. A replaceable peaker plant is not subject to the requirements of
43 this title if the owner or operator of the plant has submitted written
44 notification to the department of public service that the plant will be
45 permanently retired on or before the first day of January, two thousand
46 twenty-six.

47 2. The department shall, effective on or before the first day of Janu-
48 ary, two thousand twenty-six, revoke the operating permit of a replacea-
49 ble peaker plant for which written notification has been provided to the
50 department of public service pursuant to subdivision one of this
51 section.

52 § 3. This act shall take effect immediately.