

STATE OF NEW YORK

4866--B

2023-2024 Regular Sessions

IN ASSEMBLY

February 24, 2023

Introduced by M. of A. KELLES, ZINERMAN, STECK, ARDILA, DINOWITZ, SIMON, SIMONE, ALVAREZ -- read once and referred to the Committee on Energy -- 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

AN ACT enacting the "just energy transition act"

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

- 1 Section 1. Short title. This act shall be known and may be cited as
2 the "just energy transition act".
- 3 § 2. Legislative findings and statement of purpose. The legislature
4 hereby finds, determines and declares:
- 5 (a) New York state, especially New York city, is reliant on fossil
6 fuels for energy production, making the transition to renewable sources
7 for the downstate electricity system key to achieving the requirements
8 of section 4 of the New York state climate leadership and community
9 protection act, including that seventy percent of the state's electric-
10 ity be from renewable energy sources by the year 2030 and that one
11 hundred percent of the state's electricity be from zero-emission sources
12 by the year 2040.
- 13 (b) New York state is committed to the responsible replacement and
14 redevelopment of its fossil fueled generation facilities that currently
15 ensure resource adequacy in the state, especially in locations where the
16 health benefits to historically disadvantaged communities can be maxi-
17 mized, and where the cost effective phasing-out of such facilities can
18 be done while helping to ensure a just transition for the existing work-
19 force.
- 20 (c) A public policy purpose would be served and the interests of the
21 people of the state would be advanced by directing the New York state
22 energy research and development authority, in consultation with the

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

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1 department of public service and the department of environmental conser-
2 vation, to continue the development of the study commenced in 2022, as
3 referenced in the climate action council scoping plan of strategies to
4 facilitate the replacement and redevelopment of New York's oldest and
5 most-polluting fossil fueled generation facilities and their sites by
6 2030, while ensuring resource adequacy, with renewable energy systems as
7 defined in paragraph (b) of subdivision 1 of section 66-p of the public
8 service law, energy storage systems, and electricity transmission and
9 distribution systems and equipment.

10 (d) It is the intent of the legislature in enacting this act to
11 empower the New York state energy research and development authority,
12 department of public service, and department of environmental conserva-
13 tion, to develop a study as described in the climate action council
14 scoping plan and paragraph (c) of section three of this act in the
15 manner authorized and directed herein, and for those entities and the
16 public service commission, and any other agencies or authorities of the
17 state as may be required, to commence any proceedings or other initi-
18 atives necessary to carry out the strategies described therein.

19 § 3. The New York state energy research and development authority is
20 authorized and directed to:

21 (a) develop a study of competitive options to facilitate the phase-
22 out, replacement and redevelopment of New York state's oldest and most-
23 polluting fossil fueled generation facilities and their sites by the
24 year 2030, with renewable generation options that include those
25 described in the scoping plan issued by the climate action council under
26 section 75-0103 of the environmental conservation law, renewable energy
27 systems as defined in paragraph (b) of subdivision 1 of section 66-p of
28 the public service law, energy storage systems, and electricity trans-
29 mission and distribution systems and equipment, while ensuring resource
30 adequacy and other reliability services are maintained, and to do so in
31 consultation with the department of public service, the department of
32 environmental conservation, Long Island power authority, and other rele-
33 vant state agencies and authorities with subject matter expertise, the
34 federally designated electric bulk system operator, the New York State
35 Reliability Council, and the owners of such facilities. The study should
36 prioritize the replacement and redevelopment of such fossil fueled
37 generation facilities with facilities that will directly assist in
38 achieving the energy, environmental justice and emissions reductions
39 requirements of section 66-p of the public service law. The study shall
40 address the phase-out of at least four gigawatts of fossil fueled gener-
41 ation statewide capacity in total and prioritize those facilities that
42 only operate when electricity usage is highest. The study shall include
43 recommendations of standards and requirements that:

44 (i) significantly reduce the state's electricity system reliance on
45 fossil fuels, taking into account the requirements and timing of the
46 state's emission reduction programs;

47 (ii) establish a competitive program to promote private sector invest-
48 ment in eligible technologies that the public service commission has
49 determined, after notice and provision for the opportunity to comment,
50 ensure resource adequacy, while achieving the requirements of section
51 66-p of the public service law;

52 (iii) provide significant environmental, health and other benefits to
53 disadvantaged communities as such communities will be defined under
54 section 75-0111 of the environmental conservation law; and

55 (iv) have significant potential for job creation and retention,
56 economic development, and just transition opportunities benefiting New

1 Yorkers and the state's workforce, as described in the scoping plan
2 issued by the climate action council under section 75-0103 of the envi-
3 ronmental conservation law; and

4 (v) ensure the availability of assistance under the electric gener-
5 ation facility cessation mitigation fund established in section 1 of
6 part BB of chapter 58 of the laws of 2016 to any local government entity
7 impacted by the replacement and redevelopment of fossil fueled gener-
8 ation facilities under this section;

9 (b) provide public notice of the study, and ensure the results of
10 the study are made easily accessible to members of disadvantaged commu-
11 nities, as defined in section 75-0101 of the environmental conservation
12 law, and provide an opportunity for public comment on the study of not
13 less than sixty days and conduct at least two public hearings on the
14 study, of which at least one shall be held in disadvantage communities,
15 as defined in section 75-0101 of the environmental conservation law with
16 such public hearings offering video participation and accessibility;

17 (c) address public comments and update the study, as appropriate,
18 especially to ensure resource adequacy and reliability services are
19 maintained; and

20 (d) deliver the study to the governor, temporary president of the
21 senate and speaker of the assembly within 180 days of the effective date
22 of this section.

23 § 4. The department of public service, the department of environmental
24 conservation, and Long Island power authority shall commence proceedings
25 and stakeholder processes to establish programs and other initiatives
26 necessary to carry out the strategies, programs, standards, and require-
27 ments described in the study referred to in section three of this act
28 within 60 days of delivery of the study to the governor, temporary pres-
29 ident of the senate and speaker of the assembly.

30 § 5. The public service commission shall:

31 (a) commence a proceeding to implement the strategies, programs, stan-
32 dards, and requirements described in the study referred to in section
33 three of this act within 90 days of delivery of the study to the gover-
34 nor, temporary president of the senate and speaker of the assembly; and

35 (b) issue an order regarding implementation of the strategies,
36 programs, standards, and requirements described in the study referred to
37 in section three of this act no later than July 30, 2024. Such order
38 shall at a minimum:

39 (i) direct the New York state energy research and development authori-
40 ty to implement a competitive award process to facilitate the replace-
41 ment and redevelopment of at least four gigawatts of fossil fueled
42 generation facilities statewide while maintaining reliability consistent
43 with the recommendations of the study pursuant to section three of this
44 act, and that as part of such competitive award process, consideration
45 shall be given to security of offtake with respect to generation and
46 transmission; and

47 (ii) direct that with respect to the competitive award process
48 required, the only eligible electricity generation from hydroelectric
49 facilities shall be electricity that is generated from non-state-owned
50 low impact run-of-river facilities located in the state that provide a
51 year-round electricity capacity resource.

52 § 6. The Long Island power authority shall establish a program or
53 programs in its service territory consistent with the recommendation of
54 the study conducted pursuant to section three of this act, the
55 provisions of section five of this act, and the objectives of this act.

56 § 7. This act shall take effect immediately.