STATE OF NEW YORK

10162

IN ASSEMBLY

May 10, 2024

Introduced by COMMITTEE ON RULES -- (at request of M. of A. K. Brown) -- read once and referred to the Committee on Corporations, Authorities and Commissions

AN ACT to amend the public authorities law, the executive law and the state finance law, in relation to contracts entered into by the Long Island Power Authority for emergency goods and services

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

Section 1. Section 1020-b of the public authorities law, as added by chapter 517 of the laws of 1986, is amended by adding two new subdivisions 25 and 26 to read as follows:

25. "Short-term public power purchase agreement" shall denote contracts for the purchase, sale, or delivery of power or energy, fuel, costs and services ancillary thereto, or financial products related thereto, with a term of less than five years.

26. "Contracts for emergency goods or services" shall denote contracts entered into for procurement of goods, services, or both, made to meet emergencies arising from unforeseen causes or to effect repairs to critical infrastructure that are necessary to avoid delay in the delivery of critical services that could compromise the public welfare.

§ 2. Subdivision (h) of section 1020-f of the public authorities law, as added by chapter 517 of the laws of 1986, is amended to read as follows:

(h) To make and execute agreements, contracts and other instruments necessary or convenient in the exercise of the powers and functions of the authority under this title, including contracts with any person, firm, corporation, municipality, state agency or other entity in accordance with the provisions of section one hundred three of the general municipal law, and all state agencies and all municipalities are hereby authorized to enter into and do all things necessary to perform any such agreement, contract or other instrument with the authority**, except that (i) the authority's contracts, other than as specified in paragraph (ii) of this subdivision, shall only be subject to bidding requirements and pre-audit requirements whenever such contract exceeds an amount estab-**

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

LBD15018-01-4

lished by the comptroller in consultation with the authority, and (ii) the authority's contracts entered into for categories described in paragraphs (c), (d) and (e) of subdivision three of section twenty-eight hundred seventy-nine-a of this chapter, shall not be subject to the bidding requirements or pre-audit requirements of the comptroller pursuant to section one thousand twenty-mm of this title, but shall be entered into pursuant to guidelines and thresholds established by the comptroller in consultation with the authority. Any such contracts shall be filed with the comptroller within sixty days after their execution;

§ 3. Section 1020-cc of the public authorities law, as amended by section 11 of part A of chapter 173 of the laws of 2013, is amended to read as follows:

§ 1020-cc. Authority subject to certain provisions contained in the state finance law, the public service law, the social services law and the general municipal law. 1. (a) All contracts of the authority shall be subject to the provisions of the state finance law relating to contracts made by the state. The authority shall also establish rules and regulations with respect to providing to its residential gas, electric and steam utility customers those rights and protections provided in article two and sections one hundred seventeen and one hundred eighteen of the public service law and section one hundred thirty-one-s of the social services law. The authority shall conform to any safety standards regarding manual lockable disconnect switches for solar electric generating equipment established by the public service commission pursuant to subparagraph (ii) of paragraph (a) of subdivision five and subparagraph (ii) of paragraph (a) of subdivision five-a of section sixty-six-j of the public service law. The authority shall let contracts for construction or purchase of supplies, materials, or equipment pursuant to section one hundred three and paragraph (e) of subdivision four of section one hundred twenty-w of the general municipal law.

(b) Notwithstanding paragraph (a) of this subdivision, before any contract made for or by the authority shall be executed or become effective, whenever such contract exceeds an amount established by the comptroller in consultation with the authority, it shall first be approved by the office of the comptroller and filed in such office pursuant to section one hundred twelve of the state finance law, except for categories described in paragraphs (c), (d) and (e) of subdivision three of section twenty-eight hundred seventy-nine-a of this chapter which shall not be subject to the bidding requirements or pre-audit requirements of the comptroller pursuant to section one thousand twenty-mm of this title, but shall be entered into pursuant to guidelines and thresholds established by the comptroller in consultation with the authority, and any collective bargaining agreements.

2. The authority [~~and service provider~~] shall provide to the state comptroller on March thirty-first and September thirtieth of each year a report documenting each contract in excess of two hundred fifty thousand dollars per year entered into with a third party and related to management and operation services associated with the authority's electric transmission and distribution system, including the name of the third party, the contract term and a description of services or goods to be procured, and post such report on each of their websites. All contracts necessary for conducting utility operations entered into between [~~the service provider~~] ServCo and third parties are not subject to the requirements of subdivision one of this section.

§ 4. Section 1020-mm of the public authorities law, as amended by chapter 37 of the laws of 2023, is amended to read as follows:

§ 1020-mm. Prioritization of emergency services. 1. **Extraordinary circumstances, including excessive costs, shortages of supply, and the inflated price of fuel, may threaten the capacity to provide utility service essential to the continued safety, health, prosperity, and well-being of the people of Long Island, by reason of the interconnection and interdependence of electric facilities, the reliability of such service throughout the area require emergency action by the authority. It is therefore declared that:**

(a) If, during a widespread prolonged outage that affects at least twenty thousand customers in the service territory of the authority, and the [~~service provider~~] **authority** is not able to restore electric power services within twenty-four hours to any affected police department, fire department, ambulance service or advanced life support first response service facility that is prewired with an appropriate transfer switch for using an alternate generated power source, [~~such service provider~~] **the authority** shall notify the village, town or city in which such facility is located.

[~~2.~~] **(b)** Towns, cities, and villages shall provide to counties, and counties shall to the extent practicable, provide the [~~service provider~~] **authority** and the division of homeland security and emergency services with a list of such police departments, fire departments, ambulance services and advanced life support first response services located within such municipality's territorial boundaries within one year of the effective date of this section, and periodically thereafter as necessary to update such list.

[~~3.~~] **(c)** For the purposes of this section, "alternate generated power source" shall mean electric generating equipment that is of the capacity that is capable of providing adequate electricity to operate all life safety systems and the basic operations of a police department, fire department, ambulance service or advanced life support first response service.

2. To the extent necessary, and pursuant to guidelines and thresholds established by the comptroller in consultation with the authority, the authority shall be entitled to enter into contracts for emergency goods or services or short-term public power purchase agreements, without being subject to the bidding requirements or pre-audit requirements of the comptroller pursuant to subdivision three of section twenty-eight hundred seventy-nine-a of this chapter in accordance with subdivision (h) of section one thousand twenty-f of this title. This shall include contracts entered into for the procurement of goods, services or both goods and services made to meet emergencies arising from unforeseen causes or to effect repairs to critical infrastructure that are necessary to avoid a delay in the delivery of critical services that could compromise the public welfare. Contracts entered into for emergency goods or services or short-term public power purchase agreements shall be pursuant to guidelines established by the comptroller and shall require notice to the office of the state comptroller within forty-eight hours.

§ 5. Paragraph a of subdivision 9 of section 24 of the executive law, as added by chapter 37 of the laws of 2023, is amended to read as follows:

a. Whenever a local state of emergency is declared pursuant to this section and upon receipt of notification by an electric corporation or the [~~service provider~~] **Long Island power authority**, pursuant to section seventy-three-a of the public service law or section one thousand twenty-mm of the public authorities law, the chief executive shall coordi-

nate with affected police departments, fire departments, ambulance services and advanced life support first response services prewired with an appropriate transfer switch for using an alternate generated power source for the emergency deployment of alternate generated power sources.

§ 6. Paragraph (a) of subdivision 2 of section 112 of the state finance law is amended by adding a new subparagraph (iii) to read as follows:

(iii) Before the Long Island power authority enters into any contract which exceeds an amount established by the comptroller in consultation with such authority, it shall first be approved by the office of the state comptroller and filed in such office, except that contracts entered into for emergency goods and services or short-term public power purchase contracts must comply with guidelines and thresholds established by the comptroller in consultation with the Long Island power authority. The Long Island power authority shall not be subject to the fifty thousand dollar limitation set forth in clause one of subparagraph (i) of this paragraph.

§ 7. Severability. The provisions of this act shall be severable, and if any clause, sentence, paragraph, subdivision, or part of this act shall be adjudged by any court of competent jurisdiction to be invalid, such judgment shall not affect, impair, or invalidate the remainder thereof, but shall be confined in its operation to the clause, sentence, paragraph, subdivision, or part thereof directly involved in the controversy in which such judgment shall have been rendered.

§ 8. This act shall take effect January 1, 2026.