STATE OF NEW YORK

8031

2025-2026 Regular Sessions

IN SENATE

May 15, 2025

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

AN ACT in relation to authorizing and directing the public service commission and the New York state energy research and development authority to conduct a study to determine the possibility of closing peaker plant electric generating facilities; and providing for the repeal of such provisions upon expiration thereof

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

Section 1. Legislative findings and intent. Peaker plants have been used to ensure grid reliability during high-demand periods. Peaker plants are not used routinely throughout the year but instead are used as backup energy sources in the event that the energy grid is under increased pressure. Grid operators spend a large amount of money on operating and maintaining these highly polluting plants so they can be ready to quickly start up at times of peak demand, which are rare but dangerous moments on the grid. Host communities where these power plants are located have borne the burden of these power plants for years concerning poor air quality, noise, and noxious odors. More than one-third of New York's peaker plants primarily burn oil and over three-quarters are at least 30 years old resulting in numerous inefficient plants with high rates of greenhouse gas and health-damaging pollutant emissions for every unit of electricity generated. Nearly a third of the plants are located in areas the state considers to be environmental justice communities (disadvantaged communities), where vulnerable populations typically experience high levels of health and environmental burdens.

§ 2. For the purposes of this act, the following terms shall have the following meanings:

(a) "peaker plant electric generating facility" shall mean a major electric generating facility as defined in paragraph b of subdivision one of section 19-0312 of the environmental conservation law that burns coal, oil, diesel, or natural gas and was operational and generated

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

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electricity less than fifteen percent of the year during at least two years between 2014 and 2024;

(b) "disadvantaged communities" shall mean areas burdened by cumulative environmental pollution and other hazards that can lead to negative public health effects; and

(c) "renewable energy" shall have the same meaning as "renewable energy systems" set forth in section 66-p of the public service law.

§ 3. The public service commission, in conjunction with the New York state energy research and development authority, is authorized and directed to conduct a study on the closure of peaker plants throughout New York state and the potential impact on the surrounding area. Such study shall include, but not be limited to:

(a) the change in electricity wholesale prices, delivery rates, and total bills that energy consumers in this state will pay, including indirect energy costs;

(b) identify other energy plants that can compensate for the peaker plant distribution of the energy grid;

(c) the impact of renewable energy systems on the reliability of the electric system in the state, including, but not limited to, how reliability shall be maintained when solar and wind resources are not generating power, and how reliability will be maintained if fast-ramping gas-fired generation is phased out;

(d) a proposed strategy to replace the plants with renewable energy systems or battery storage, or a combination thereof;

(e) energy systems that would maintain reliable energy output during a transition period;

(f) potential effect of such a transition on disadvantaged communities;

(g) the discharge, displacement, or loss of position, including partial displacement such as a reduction in the hours of non-overtime work, wages, or employment benefits;

(h) the impairment of existing collective bargaining agreements; and

(i) identify means to establish the following:

i. the transfer of existing duties and functions to renewable energy systems; and

ii. the transfer of future duties and functions, of any currently employed worker impacted by this act who agrees to be retrained in renewable energy system work places.

§ 4. The public service commission, in conjunction with the New York state energy research and development authority, may conduct any hearings or take any written testimony as it deems necessary in order to aid such study, and shall take all other steps necessary to provide a thorough analysis of all issues related to the provisions listed in section one of this act.

§ 5. The public service commission, in conjunction with the New York state energy research and development authority, shall issue its final report no later than one year after the effective date of this act to the governor, the speaker of the assembly, the temporary president of the senate, and the chairs of the assembly committee on energy and the senate committee on energy and telecommunications, and post a copy of such report on its website.

§ 6. This act shall take effect immediately and shall expire and be deemed repealed 2 years after such date.