

STATE OF NEW YORK

4158

2025-2026 Regular Sessions

IN SENATE

February 3, 2025

Introduced by Sens. KRUEGER, MAY, FAHY, ADDABBO, BRISPORT, BROUK, CLEARE, COMRIE, COONEY, FERNANDEZ, GIANARIS, GONZALEZ, GOUNARDES, HARCKHAM, HINCHEY, HOYLMAN-SIGAL, JACKSON, KAVANAGH, LIU, MARTINEZ, MAYER, MYRIE, RAMOS, RIVERA, SALAZAR, SANDERS, SEPULVEDA, SERRANO, STAVISKY, WEBB -- read twice and ordered printed, and when printed to be committed to the Committee on Energy and Telecommunications

AN ACT to amend the public service law, the public authorities law, the transportation corporations law and the labor law, in relation to enacting the NY Home Energy Affordable Transition Act; to repeal section 66-b of the public service law relating to continuation of gas service; and to repeal section 66-g of the public service law relating to the sale of indigenous natural gas for generation of electricity

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 "NY Home Energy Affordable Transition Act" or the "NY HEAT Act".
3 § 2. Legislative findings. The legislature finds and declares that:
4 1. The Climate Leadership and Community Protection Act (CLCPA) sets
5 forth ambitious mandates to achieve significant greenhouse gas (GHG)
6 emission reductions across New York's economy, while prioritizing
7 reductions in co-pollutant emissions in disadvantaged communities and
8 requiring significant state investments to bring the affordability and
9 health benefits of energy efficiency and clean energy to these communi-
10 ties.
11 2. Buildings are the largest source of GHG emissions in New York,
12 contributing approximately one-third of the state's total emissions.
13 They also produce significant local air pollution, leading to adverse
14 health outcomes such as asthma and heart disease, especially in disad-
15 vantaged communities. Reducing emissions and pollution from buildings is
16 essential to meeting the CLCPA's climate and equity goals and improving
17 public health.

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

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1 3. Achieving New York's climate and equity objectives necessitates
2 updating the regulation of gas utilities. Current policies create misa-
3 lignment between gas system investments and the CLCPA's 2030 and 2050
4 mandates, increasing the risk of a costly and disorderly transition.
5 Strategic planning and investment are needed to decarbonize buildings,
6 right-size the gas system, and ensure coordinated enhancements to the
7 electric system, enabling equitable and affordable access to clean ener-
8 gy solutions for all New Yorkers. Such investments will lead to signif-
9 icant benefits: the Climate Action Council found that the cost of
10 inaction on climate exceeds the cost of action by more than \$115
11 billion.

12 4. Outdated public service laws are misaligned with the state's energy
13 affordability goals and CLCPA mandates in the following ways:

14 a. The "utility obligation to serve gas" compels utilities to expand
15 gas infrastructure, making it challenging to redirect investments toward
16 insulating and upgrading homes and installing clean energy alternatives
17 like electrification and thermal energy networks that align with climate
18 goals while mitigating costs for ratepayers.

19 b. Mandated system extension allowances require existing ratepayers to
20 subsidize gas hookups for new customers, costing ratepayers hundreds of
21 millions of dollars annually.

22 c. Utilities are projected to spend \$150 billion to replace leak-prone
23 gas pipelines. Through the changes implemented in this act, many of
24 these investments could be avoided by redirecting funds to neighbor-
25 hood-scale decarbonization projects. Neighborhood-scale projects offer
26 the most cost-effective pathway to transition gas customers to alterna-
27 tive heating and cooling solutions. These projects reduce costs, mini-
28 mize stranded investments in the gas system, and enable coordinated
29 efforts among utilities, customers, and other stakeholders.

30 5. This legislation, the NY Home Energy Affordable Transition (NY
31 HEAT) Act, seeks to:

32 a. Reduce unjust and disproportionate energy cost burdens by avoiding
33 unnecessary, non-strategic, and expensive gas infrastructure invest-
34 ments, and improving affordability protections.

35 b. Ensure utility regulations do not work at cross-purposes with the
36 CLCPA.

37 c. Provide the Public Service Commission with clear authority and
38 direction to align utility planning with CLCPA goals, proactively
39 addressing regulatory barriers and recommending necessary legislative
40 changes.

41 d. Minimize the need for new gas infrastructure investments by redi-
42 recting ratepayer funds to alternatives including electrification, ther-
43 mal energy networks, targeted energy efficiency, demand response, and
44 market transformation measures.

45 e. Facilitate a planned, neighborhood-scale transition away from
46 fossil fuels, avoiding stranded gas infrastructure costs and supporting
47 coordinated investments that reduce emissions, increase affordability,
48 and create good paying jobs.

49 f. Ensure equitable access to affordable, clean energy for heating,
50 cooling, and other building needs, protecting customers from undue
51 burdens during the transition.

52 6. This legislation does not impose a ban on the use of gas. It is the
53 intent of the Legislature to support a gradual and carefully planned
54 transition for existing gas customers to cleaner alternatives, ensuring
55 affordability, reliability, and equity throughout the process.

1 § 3. The public service law is amended by adding two new sections 66-y
2 and 66-z to read as follows:

3 § 66-y. Statewide affordable gas transition plan. 1. No later than
4 two years after the effective date of this section, the commission shall
5 publish a statewide affordable gas transition plan to guide an orderly,
6 affordable, and equitable right-sizing of the utility gas system in a
7 manner that aligns with, and supports achievement of, the climate
8 justice and emissions reduction provisions in chapter one hundred six of
9 the laws of two thousand nineteen, and such successors in law and func-
10 tion as may arise from time to time, incorporating in such plan prudent
11 investments and strategic opportunities to generate cost efficiencies
12 for all gas and electric customers and redirect resources toward assist-
13 ing customers to upgrade their homes and energy appliances. Such plan
14 shall include, at a minimum:

15 (a) Targets for the transition of gas system infrastructure and recom-
16 mendations for planning and investment strategies for the state's gas
17 corporations to achieve such targets.

18 (b) General requirements for utility home energy affordable transition
19 programs pursuant to section sixty-six-z of this article, regarding
20 criteria for approval of such programs and neighborhood gas transition
21 projects implemented as part of such programs, including requirements:

22 (i) to ensure customers affected by a neighborhood gas transition
23 project have continued access to safe and reliable energy services for
24 heating, cooling, cooking, and water heating;

25 (ii) for utilities to notify customers affected by a neighborhood gas
26 transition project in a timely manner;

27 (iii) to ensure the ability of the electrical grid to safely support
28 any new electric load created by a home energy affordable transition
29 program, including for utility participation in any coordination activ-
30 ities regarding grid planning; and

31 (iv) to prioritize voluntary disconnections from gas service, to mini-
32 mize the cost of transition for existing gas and electric customers, and
33 to encourage utilization of existing resources for weatherization, ener-
34 gy efficiency, and electrification programs available in the state.

35 (c) In collaboration with the state's gas and electric corporations,
36 identification of a preliminary list of neighborhood gas transition
37 projects best suited for home energy affordable transition programs
38 pursuant to section sixty-six-z of this article.

39 (d) A review of the public service law and its current rules and poli-
40 cy guidance to identify any law, rule, guidance, or lack thereof, that
41 may inhibit timely and equitable achievement of the climate justice and
42 emission reduction provisions in chapter one hundred six of the laws of
43 two thousand nineteen, and such successors in law and function as may
44 arise from time to time.

45 2. In developing an affordable gas transition plan pursuant to this
46 section, the department shall hold no fewer than four public hearings in
47 different regions of the state.

48 3. Upon completion, the statewide affordable gas transition plan shall
49 be made available on the department's website and shall be delivered to
50 the governor, the temporary president of the senate, and the speaker of
51 the assembly.

52 § 66-z. Utility home energy affordable transition programs. 1. The
53 commission shall, for each gas corporation in this state, issue an order
54 to develop home energy affordable transition programs pursuant to this
55 section, and in accordance with the statewide affordable gas transition
56 plan in section sixty-six-y of this article, and shall require partic-

1 ipation of such gas corporation as necessary for implementation. Such
2 programs shall require implementation of neighborhood gas transition
3 projects for the purpose of decommissioning discrete segments of the
4 utility gas system in order to provide for an orderly gas system transi-
5 tion to achieve consistency with the climate justice and emission
6 reduction provisions in chapter one hundred six of the laws of two thou-
7 sand nineteen, and such successors in law and function as may arise from
8 time to time. Development and approval of such programs shall be
9 completed no later than one year after the statewide affordable gas
10 transition plan has been published.

11 2. Prior to January first, two thousand thirty, no existing residen-
12 tial gas customer, as such term is referenced in section thirty of this
13 chapter, shall have their gas service discontinued as part of a neigh-
14 borhood gas transition project implemented pursuant to this section
15 except by consent of such customer.

16 3. Programs shall be designed to maximize cost efficiencies from
17 avoided investments in the expansion and maintenance of the gas system,
18 and redirect resources toward implementation of neighborhood gas transi-
19 tion projects, including assisting customers to upgrade their homes and
20 energy appliances, including those used for heating, cooling, cooking,
21 and water heating, in addition to utilizing state and federal appliance
22 and efficiency incentive programs and other available funding streams.

23 4. The commission shall only approve programs that ensure that all
24 affected residential customers will:

25 (a) have continued access to safe and reliable energy services for
26 heating, cooling, cooking, and water heating;

27 (b) have access to funding and technical support for the purchase and
28 installation of customer-owned equipment at low or no cost, as well as
29 for the purposes of identifying, planning, and securing services to
30 undertake weatherization and energy efficiency measures, and pre-elec-
31 trification upgrades, using any resources available for such purposes;

32 (c) be given notice at least two years in advance of the cessation of
33 gas service, and at least every six months subsequently, via mail and,
34 when applicable, electronically, and, where feasible, through at least
35 one in-person contact, and be provided notification of financial and
36 technical assistance available to such customers from the utility or
37 other state or federal programs to support electrification;

38 (d) have an opportunity to comment on the proposed neighborhood gas
39 transition project before it is finalized; and

40 (e) be provided notice when an adjacent customer connected to their
41 local gas grid has voluntarily opted to discontinue service, via mail
42 and, when applicable, electronically.

43 5. The commission shall require each gas corporation to reevaluate its
44 existing plans, policies, and programs related to proactive replacement
45 of gas system infrastructure based on analyses of discrete segments of
46 the gas system that are most suitable to be prioritized for neighborhood
47 gas transition projects.

48 6. The commission shall ensure that any program approved pursuant to
49 this section will not compromise the safety and reliability of the elec-
50 tric distribution grid or gas distribution system, or result in unrea-
51 sonable disruption of service to buildings that are used for an indus-
52 trial or commercial use that is difficult to electrify using
53 commercially available technology or that house an energy intensive and
54 trade exposed industry, or to critical infrastructure as such terms are
55 defined by the commission.

1 7. Programs approved pursuant to this section shall not compromise the
2 ability of a gas corporation to seek to recover prudent, commission-ap-
3 proved investments in infrastructure that was used and useful.

4 8. Prior to approval, the commission shall consider whether a program
5 is adequately designed to mitigate potential financial hardship to
6 affected residential customers in connection with the replacement of
7 gas-fired appliances as part of neighborhood gas transition projects
8 implemented pursuant to the program.

9 § 4. Subdivision 1 of section 4 of the public service law, as amended
10 by chapter 594 of the laws of 2021, is amended to read as follows:

11 1. There shall be in the department of public service a public service
12 commission, which shall possess the powers and duties hereinafter speci-
13 fied, and also all powers necessary or proper to enable it to carry out
14 the purposes of this chapter and to enable achievement of the climate
15 justice and emission reduction provisions in chapter one hundred six of
16 the laws of two thousand nineteen, and such successors in law and func-
17 tion as may arise from time to time. The commission shall consist of
18 five members, to be appointed by the governor, by and with the advice
19 and consent of the senate. A commissioner shall be designated as [~~chair-~~
20 ~~man~~] chairperson of the commission by the governor to serve in such
21 capacity at the pleasure of the governor or until [~~his~~] the commission-
22 er's term [~~as commissioner~~] expires whichever first occurs. At least one
23 commissioner shall have experience in utility consumer advocacy. No more
24 than three commissioners may be members of the same political party
25 unless, pursuant to action taken under subdivision two of this section,
26 the number of commissioners shall exceed five, and in such event no more
27 than four commissioners may be members of the same political party.

28 § 5. Paragraph b of subdivision 1 of section 5 of the public service
29 law, as amended by chapter 155 of the laws of 1970, is amended to read
30 as follows:

31 b. To the manufacture, conveying, transportation, sale or distribution
32 of gas (natural or manufactured or mixture of both) and electricity for
33 light, heat, cooling, or power, to gas plants and to electric plants and
34 to the persons or corporations owning, leasing or operating the same.

35 § 6. Section 30 of the public service law, as amended by chapter 686
36 of the laws of 2002, is amended to read as follows:

37 § 30. Residential gas, electric and steam service policy. 1. This
38 article shall apply to the provision of all or any part of the gas,
39 electric or steam service provided to any residential customer by any
40 gas, electric or steam and municipalities corporation or municipality.
41 It is hereby declared to be the policy of this state that the continued
42 provision of [~~all or any part of such gas,~~] electric and steam [~~service~~]
43 services to all residential customers without unreasonable qualifica-
44 tions or lengthy delays is necessary for the preservation of the health
45 and general welfare, is consistent with the achievement of the state's
46 climate justice and emission reduction goals, and is in the public
47 interest. It is further the policy of this state that electric and
48 steam services to all residential customers, and gas service for exist-
49 ing residential customers must be provided in a manner that is safe and
50 adequate, not unjustly discriminatory or unduly preferential, and in all
51 respects just and reasonable, while providing for an orderly, affordable
52 and equitable right-sizing of the utility gas system to achieve consist-
53 ency with the climate justice and emission reduction provisions in chap-
54 ter one hundred six of the laws of two thousand nineteen, and such
55 successors in law and function as may arise from time to time, encourag-

1 ing neighborhood-scale transitions and the elimination of on-site
2 co-pollutants.

3 2. (a) The commission shall regulate for the continued provision of
4 gas service to all existing residential gas customers, unless such
5 service is discontinued pursuant to a home energy affordable transition
6 program approved by the commission pursuant to section sixty-six-z of
7 this chapter.

8 (b) For the purposes of this section, any new residential gas customer
9 purchasing or renting or moving into a building with existing gas
10 service, or in which gas service was temporarily interrupted, as defined
11 by the commission, including temporary interruption for emergencies,
12 disasters, maintenance, repairs, renovation, or restoration, shall be
13 treated as an existing customer unless and until such service is discon-
14 tinued pursuant to a home energy affordable transition program approved
15 by the commission.

16 3. (a) Within one year of the effective date of this subdivision, the
17 commission shall develop a plan to ensure that all residential customers
18 be adequately protected from bearing an energy burden greater than six
19 percent of their household income. In developing such plan, the commis-
20 sion shall evaluate available tools, including but not limited to bill
21 discounts, bill credits, redirection of avoided costs of utility infras-
22 tructure, rate making strategies, energy efficiency, distributed renewa-
23 ble energy, and potential budgetary measures, prioritizing mitigation of
24 rate increases on residential customers. Beginning in the calendar year
25 following the effective date of this subdivision, and continuing annual-
26 ly on or before October first, the commission shall report to the gover-
27 nor and legislature on the actions it has taken and progress it has made
28 toward implementing the plan developed pursuant to this paragraph. Such
29 report shall include but not be limited to recommendations regarding any
30 additional legislative or budgetary measures necessary to achieve such
31 goal. The annual report shall also be published on the commission's
32 website. In implementing the plan developed pursuant to this paragraph,
33 the commission shall prioritize low-to-moderate income customers, as
34 defined by the commission, including those who are already eligible for
35 the commission's energy affordability program.

36 (b) In order to ensure that all residential customers be adequately
37 protected from bearing an energy burden greater than six percent of
38 their household income, the commission may authorize the use of reason-
39 able per-customer caps on the amount of energy subject to such
40 protections. The commission may also establish a reasonable cap on
41 collections from ratepayers to fund the commission's energy affordabili-
42 ty program or similar successor programs provided such cap is not less
43 than three percent of total electric or gas revenues for sales to end-
44 use customers for each utility.

45 4. Nothing in this article or any other law of New York state shall be
46 interpreted or otherwise construed as preempting a municipality from
47 adopting building codes or other regulations regarding on-site emissions
48 for new and existing buildings within their localities.

49 § 7. Subdivision 1 of section 1020-cc of the public authorities law,
50 as amended by section 11 of part A of chapter 173 of the laws of 2013,
51 is amended to read as follows:

52 1. All contracts of the authority shall be subject to the provisions
53 of the state finance law relating to contracts made by the state. The
54 authority shall also establish rules and regulations with respect to
55 providing to its residential gas, electric and steam utility customers
56 those rights and protections provided in article two and sections one

1 hundred seventeen and one hundred eighteen of the public service law and
2 section one hundred thirty-one-s of the social services law. It shall
3 be a goal of the authority that all residential customers be adequately
4 protected from bearing an energy burden greater than six percent of
5 their household income pursuant to subdivision three of section thirty
6 of the public service law. The authority shall conform to any safety
7 standards regarding manual lockable disconnect switches for solar elec-
8 tric generating equipment established by the public service commission
9 pursuant to subparagraph (ii) of paragraph (a) of subdivision five and
10 subparagraph (ii) of paragraph (a) of subdivision five-a of section
11 sixty-six-j of the public service law. The authority shall let contracts
12 for construction or purchase of supplies, materials, or equipment pursu-
13 ant to section one hundred three and paragraph (e) of subdivision four
14 of section one hundred twenty-w of the general municipal law.

15 § 8. Subdivisions 1, 3 and 4 of section 31 of the public service law,
16 as added by chapter 713 of the laws of 1981, are amended and a new
17 subdivision 4-a is added to read as follows:

18 1. Every gas corporation, electric corporation or municipality shall
19 provide residential service upon the oral or written request of an
20 applicant, provided that any residential gas service shall only be
21 provided in accordance with section thirty of this article, and provided
22 further that the commission may require that requests for service be in
23 writing under circumstances as it deems necessary and proper as set
24 forth by regulation, and provided further that the applicant:

25 (a) makes full payment for residential utility service provided to a
26 prior account in [~~his~~] the applicant's name; or

27 (b) agrees to make payments under a deferred payment plan of any
28 amounts due for service to a prior account in [~~his~~] the applicant's name
29 and makes a down payment based on criteria to be established by the
30 commission. No such down payment shall exceed one-half of any money due
31 from an applicant for residential utility service, or three months aver-
32 age billing, whichever is less; or

33 (c) is a recipient of public assistance, supplemental security income
34 or additional state payments pursuant to the social services law, or is
35 an applicant for such assistance, income or payments, and the utility
36 corporation or the municipality receives payment from, or is notified of
37 the applicant's eligibility for utility payments by the social services
38 official of the social services district in which such person resides
39 for amounts due for service to a prior account in the applicant's name,
40 together with guarantee of future payments to the extent authorized by
41 the social services law; and

42 (d) receives clear, timely information from the gas corporation, elec-
43 tric corporation, municipality, or retail energy service company, writ-
44 ten in plain language, available in the top twelve most common non-Engl-
45 ish languages spoken by limited English proficient New Yorkers, and
46 approved by the commission after stakeholder input, on incentives and
47 opportunities for installing energy-efficient electric heating and cool-
48 ing technologies, weatherization, demand-side management, and distrib-
49 uted energy resource programs.

50 (e) nothing in this subdivision shall be construed to prohibit exist-
51 ing gas customers, in accordance with section thirty of this article and
52 subject to any other regulations implemented by the commission, from
53 reconnecting to the gas distribution system following a gas interruption
54 due to emergency repairs or remediation of leaking equipment.

55 3. Subject to the requirements of subdivisions four, four-a and five
56 of this section, and in accordance with section thirty of this article,

1 whenever a residential customer moves to a new residence within the
2 service territory of the same utility corporation or municipality, [~~he~~]
3 the applicant shall be eligible to receive service at the new residence
4 and such service shall be considered a continuation of service in all
5 respects except for the purposes of section thirty of this article, with
6 any deferred payment agreement honored, and with all rights of such
7 customer and such utility corporation provided by this article unim-
8 paired.

9 4. In the case of any application for electric service to a building
10 which is not supplied with electricity [~~or gas~~], a utility corporation
11 or municipality shall be obligated to provide electric service to such a
12 building, provided however, that the commission may require applicants
13 for service to buildings located in excess of one hundred feet from [~~gas~~
14 ~~or~~] electric transmission lines to pay or agree in writing to pay mate-
15 rial and installation costs relating to the applicant's proportion of
16 the pipe, conduit, duct or wire, or other facilities to be installed.

17 4-a. In the case of any application for gas service to a building
18 which is not supplied with gas, a utility corporation or municipality
19 shall be obligated to provide gas service to such building in accordance
20 with commission regulation, provided however, that the commission shall
21 require applicants for gas service to such building to pay or agree in
22 writing to pay material and installation costs relating to the pipe or
23 other facilities to be installed to enable service to the applicant.

24 § 9. Section 12 of the transportation corporations law, as separately
25 amended by chapters 713 and 895 of the laws of 1981, is amended to read
26 as follows:

27 § 12. [~~Gas and electricity~~] Electricity must be supplied on applica-
28 tion. Except in the case of an application for residential utility
29 service pursuant to article two of the public service law, upon written
30 application of the owner or occupant of any building within one hundred
31 feet of any [~~main of a gas corporation or gas and electric corporation,~~
32 ~~or a~~] line of an electric corporation or gas and electric corporation,
33 appropriate to the service requested, and payment by [~~him~~] the applicant
34 of all money due from [~~him~~] the applicant to the corporation, it shall
35 supply [~~gas or~~] electricity as may be required for [~~lighting~~] such
36 building, notwithstanding there be rent or compensation in arrears for
37 gas or electricity supplied, or for meter, wire, pipe or fittings
38 furnished, to a former occupant thereof, unless such owner or occupant
39 shall have undertaken or agreed with the former occupant to pay or to
40 exonerate [~~him~~] the former occupant from the payment of such arrears,
41 and shall refuse or neglect to pay the same; and if for the space of ten
42 days after such application, and the deposit of a reasonable sum as
43 provided in the next section, if required, the corporation shall refuse
44 or neglect to supply gas or [~~electric light~~] electricity as required,
45 such corporation shall forfeit and pay to the applicant the sum of ten
46 dollars, and the further sum of five dollars for every day thereafter
47 during which such refusal or neglect shall continue; provided that no
48 such corporation shall be required to lay service pipes or wires for the
49 purpose of supplying gas or electric light to any applicant where the
50 ground in which such pipe or wire is required to be laid shall be
51 frozen, or shall otherwise present serious obstacles to laying the same;
52 nor unless the applicant, if required, shall deposit in advance with the
53 corporation a sum of money sufficient to pay the cost of [~~his propor-~~
54 ~~tion~~] the applicant's portion of the pipe, conduit, duct or wire
55 required to be installed, and the expense of the installation of such
56 portion.

1 § 10. The transportation corporations law is amended by adding a new
2 section 13 to read as follows:

3 § 13. Gas must be supplied in accordance with public service commis-
4 sion rules and regulations. Except in the case of an application for
5 residential utility service pursuant to article two of the public
6 service law, upon written application of the owner or occupant of any
7 building within one hundred feet of any main of a gas corporation or gas
8 and electric corporation appropriate to the service requested, and
9 payment by the applicant of all money due from the applicant to the
10 corporation, it shall supply gas for such building in accordance with
11 public service commission regulations, notwithstanding there be rent or
12 compensation in arrears for gas supplied, or for meter, pipe or fittings
13 furnished, to a former occupant thereof, unless such owner or occupant
14 shall have undertaken or agreed with the former occupant to pay or to
15 exonerate the former occupant from the payment of such arrears, and
16 shall refuse or neglect to pay the same; and if for the space of ten
17 days after such application, and the deposit of a reasonable sum, if
18 required, the corporation shall refuse or neglect to supply gas as
19 required pursuant to public service commission rules and regulations,
20 such corporation shall forfeit and pay to the applicant the sum of ten
21 dollars, and the further sum of five dollars for every day thereafter
22 during which such refusal or neglect shall continue; provided that no
23 such corporation shall be required to lay service pipes for the purpose
24 of supplying gas to any applicant where the ground in which such pipes
25 are required to be laid shall be frozen, or shall otherwise present
26 serious obstacles to laying the same; nor unless the applicant shall
27 deposit in advance with the corporation a sum of money sufficient to pay
28 the material and installation costs relating to the pipe or other facil-
29 ities to be installed to enable service to the applicant.

30 § 11. Section 66 of the public service law is amended by adding a new
31 subdivision 12-e to read as follows:

32 12-e. The commission shall review the capital construction plan of
33 each gas corporation and establish a process to examine the feasible
34 alternatives to such construction in order to achieve consistency with
35 the climate justice and emission reduction provisions in chapter one
36 hundred six of the laws of two thousand nineteen, and such successors in
37 law and function as may arise from time to time, and to align with the
38 statewide affordable gas transition plan pursuant to section sixty-six-y
39 of this article. The commission may require participation in such proc-
40 ess by each electric corporation with a service area overlapping the
41 service area of the gas corporation, and the commission shall have the
42 power to require any such electric corporation to participate in alter-
43 natives to gas capital construction, including participation in financ-
44 ing. Any costs incurred by such electric corporation for such corpo-
45 ration's participation shall be subject to an opportunity for full
46 recovery, as determined by the commission.

47 § 12. Section 66-b of the public service law is REPEALED.

48 § 13. The public service law is amended by adding a new section 66-x
49 to read as follows:

50 § 66-x. Expansion of gas company service territories. Except as
51 provided in this section, and notwithstanding any other provision of
52 this chapter, after December thirty-first, two thousand twenty-six, the
53 commission shall not grant an amendment of a gas company's certificate
54 of public convenience and necessity that expands a gas company's service
55 territory in order to extend gas plant and the availability of gas
56 service into geographic areas where gas service was not available prior

1 to such date. The commission may authorize exceptions to the policy set
2 forth in this section on a case-by-case basis, provided that the commis-
3 sion finds that the amendment of the certificate of public convenience
4 and necessity is limited to a project that serves a compelling state
5 interest, alternatives to gas service are either not technically feasi-
6 ble or prohibitively expensive, and that the project will be completed
7 and put into service not later than December thirty-first, two thousand
8 twenty-eight.

9 § 14. Section 66-g of the public service law is REPEALED.

10 § 15. Subdivision 1 of section 224-d of the labor law, as amended by
11 section 31 of part 0 of chapter 58 of the laws of 2024, is amended and a
12 new subdivision 9 is added to read as follows:

13 1. For purposes of this section, a "covered renewable energy system"
14 means (a) a renewable energy system, as such term is defined in section
15 sixty-six-p of the public service law, with a capacity of one or more
16 megawatts alternating current and which involves the procurement of
17 renewable energy credits by a public entity, or a company or corporation
18 provided in subdivisions twenty-three and twenty-four of section two of
19 the public service law, or a third party acting on behalf and for the
20 benefit of a public entity; (b) any "thermal energy network" as defined
21 by subdivision twenty-nine of section two of the public service law; (c)
22 any offshore wind supply chain project, including but not limited to
23 port infrastructure, primary component manufacturing, finished component
24 manufacturing, subassembly manufacturing, subcomponent manufacturing, or
25 raw material producers, or a combination thereof receiving direct fund-
26 ing from the New York state energy research and development authority
27 pursuant to an award under a New York state energy research and develop-
28 ment authority solicitation; ~~(d)~~ (d) a "major utility transmission
29 facility" as such term is defined by section one hundred twenty of the
30 public service law; or (e) any covered neighborhood gas transition
31 project, as defined by subdivision nine of this section.

32 9. For purposes of this section, a "covered neighborhood gas transi-
33 tion project" shall mean a project performed by contractors or subcon-
34 tractors hired directly by a public utility company, as defined by
35 subdivision twenty-three of section two of the public service law, to
36 ensure that customers permanently transitioning off utility gas service
37 as part of a home energy affordable transition program pursuant to
38 section sixty-six-z of the public service law have continued access to
39 safe and reliable energy services for heating, cooling, cooking, and
40 water heating. A covered neighborhood gas transition project shall not
41 include a project performed under private contract with an entity other
42 than a public utility company, even if such entity or contractor
43 receives financial and/or technical support from a public utility compa-
44 ny, including for the purchase and installation of customer-owned equip-
45 ment.

46 § 16. Severability. If any word, phrase, clause, sentence, paragraph,
47 section, or part of this act shall be adjudged by any court of competent
48 jurisdiction to be invalid, such judgment shall not affect, impair, or
49 invalidate the remainder thereof, but shall be confined in its operation
50 to the word, phrase, clause, sentence, paragraph, section, or part ther-
51 eof directly involved in the controversy in which such judgment shall
52 have been rendered. It is hereby declared to be the intent of the legis-
53 lature that this act would have been enacted even if such invalid
54 provisions had not been included herein.

55 § 17. This act shall take effect immediately.