

STATE OF NEW YORK

8421

2025-2026 Regular Sessions

IN SENATE

June 9, 2025

Introduced by Sen. KRUEGER -- read twice and ordered printed, and when printed to be committed to the Committee on Rules

AN ACT to amend the public service law, the transportation corporations law and the labor law, in relation to enacting the "Customer Savings and Reliability 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 "Customer Savings and Reliability Act".

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

5 § 66-x. Regional affordable gas transition plans. 1. No later than
6 two years after the effective date of this section, the commission shall
7 divide the state into gas transition planning regions, giving consider-
8 ation to utility service territories, and, in consultation with local
9 governments and gas corporations, publish regional affordable gas tran-
10 sition plans to guide an orderly, affordable, and equitable right-sizing
11 of the utility gas system in a manner that aligns with, and supports
12 achievement of, the climate justice and emissions reduction provisions
13 in chapter one hundred six of the laws of two thousand nineteen, incor-
14 porating in such plan prudent investments and strategic opportunities to
15 generate cost efficiencies and savings for gas and electric customers
16 and redirect resources toward assisting customers to upgrade their homes
17 and energy appliances, and recognizing the unique needs of each respec-
18 tive region of the state. Each regional plan shall include, at a mini-
19 mum:

20 (a) Targets for the transition of gas system infrastructure and recom-
21 mendations for planning and investment strategies for the affected gas
22 corporations to achieve such targets.

23 (b) General requirements for regional savings and reliability programs
24 pursuant to section sixty-six-y of this article, regarding criteria for

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

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1 approval of such programs and neighborhood gas transition projects
2 implemented as part of such programs, including requirements:

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

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

8 (iii) to ensure the ability of the electrical grid to safely,
9 adequately, and reliably support any new electric load created by a
10 regional savings and reliability program, and include participation by
11 the relevant electric corporations and the federally designated bulk
12 system operator in any coordination activities regarding electric grid
13 planning; and

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

18 (c) In collaboration with the state's gas and electric corporations
19 and affected local governments, identification of a preliminary list of
20 neighborhood gas transition projects best suited for regional savings
21 and reliability programs pursuant to section sixty-six-y of this arti-
22 cle. For the purposes of this article, any group of customers or house-
23 holds connected to the gas plant from a shared, discrete, and localized
24 or terminal portion of the gas plant, which is not fundamental to the
25 provision of service to customers outside of such portion, may be
26 considered a neighborhood. Such identification process shall consider:

27 (i) the capacity of the relevant electric plant to provide safe and
28 adequate service;

29 (ii) the cost effectiveness of each neighborhood gas transition
30 project; and

31 (iii) the age of each gas corporation's mains and service lines, their
32 proneness to leak gas, and replacement costs. Any resulting areas with
33 aged pipes, high cost of replacement, and leak-prone pipes shall be
34 included in such preliminary list.

35 (d) An overview of the cost efficiencies and benefits that a gas tran-
36 sition could produce for the region's ratepayers.

37 (e) Any other considerations the commission deems appropriate.

38 2. In developing regional affordable gas transition plans pursuant to
39 this section, the department shall hold at least four public hearings in
40 each region, provided that at least one hearing shall be virtual, and,
41 one shall be held in a disadvantaged community, as defined in section
42 75-0101 of the environmental conservation law, if the region, in whole
43 or in part, contains a disadvantaged community.

44 3. Upon completion, each regional affordable gas transition plan shall
45 be made available on the department's website and shall be delivered to
46 the governor, the temporary president of the senate, and the speaker of
47 the assembly, and each member of the legislature whose district is whol-
48 ly or partially contained within the region encompassed by such plan.

49 § 66-y. Regional savings and reliability programs. 1. The commission
50 may, for any gas corporation in this state, issue an order to develop
51 regional savings and reliability programs pursuant to this section, and
52 in accordance with the regional affordable gas transition plan in
53 section sixty-six-x of this article, and shall require participation of
54 such gas corporation as necessary for implementation. A gas corporation
55 that seeks to opt out of such a program shall file a petition with the
56 commission within sixty days of the issuance of such order, setting

1 forth a reasonable basis for declining to develop the program, including
2 but not limited to concerns related to system reliability, customer
3 affordability, or operational feasibility. Upon determining the opt-out
4 is supported by a reasonable basis, the commission shall grant the opt-
5 out for a period not to exceed five years, after which the gas corpo-
6 ration must either submit a revised program proposal or file a new peti-
7 tion to extend its opt-out, supported by an updated showing of a
8 continuing reasonable basis for non-participation. Upon commission
9 approval of such program, such gas corporation shall implement neighbor-
10 hood gas transition projects for the purpose of decommissioning discrete
11 segments of the utility gas system in order to provide for an orderly
12 gas system transition to generate cost efficiencies and savings for gas
13 customers, reduce unnecessary and expensive gas infrastructure invest-
14 ments, and achieve consistency with the climate justice and emission
15 reduction provisions in chapter one hundred six of the laws of two thou-
16 sand nineteen, and such successors in law and function as may arise from
17 time to time. Nothing in this section shall be construed to prohibit or
18 restrict a gas corporation from continuing or proposing targeted non-
19 pipe alternative projects or electrification efforts that reduce gas
20 system investment needs, provided that such efforts are consistent with
21 commission regulation and do not result in involuntary discontinuation
22 of service outside a program approved under this section.

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

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

35 4. Programs shall not result in discontinuation of service to build-
36 ings that house an industrial or commercial use that is difficult to
37 electrify using commercially available technology or an energy intensive
38 and trade exposed industry, or to critical infrastructure as such terms
39 are defined by the commission, or to any building that is exempt pursu-
40 ant to subparagraph (iii) of paragraph (b) of subdivision seven of
41 section 11-104 of the energy law, except by consent of the owner of such
42 building or buildings.

43 5. The commission shall only approve programs that ensure that all
44 affected residential customers will:

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

47 (b) have access to funding and technical support for the purchase and
48 installation of customer-owned equipment at no cost, as well as for the
49 purposes of identifying, planning, and securing services to undertake
50 weatherization and energy efficiency measures, and pre-electrification
51 upgrades, using any resources available for such purposes;

52 (c) be given notice at least two years in advance of the cessation of
53 gas service, and at least every six months subsequently, via mail and,
54 when applicable, electronically, and, where feasible, through at least
55 one in-person contact, and be provided notification of financial and

1 technical assistance available to such customers from the utility or
2 other state or federal programs to support electrification;

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

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

8 6. Programs shall include a consultation process for each neighborhood
9 gas transition project to solicit feedback from affected customers,
10 relevant municipal governments, and members of the legislature in whose
11 districts such project will be implemented.

12 7. Any neighborhood gas transition project to be implemented pursuant
13 to this section shall require the consent of at least fifty percent of
14 affected customers before such project can be implemented.

15 8. Programs shall include a reevaluation of each gas corporation's
16 existing plans, policies, and programs related to proactive replacement
17 of gas system infrastructure based on analyses of discrete segments of
18 the gas system that are most suitable to be prioritized for neighborhood
19 gas transition projects.

20 9. The commission shall ensure that any program approved pursuant to
21 this section will not compromise the safety and reliability of the elec-
22 tric distribution grid or gas distribution system.

23 10. Programs approved pursuant to this section shall not compromise
24 the ability of a gas corporation to seek to recover prudent, commis-
25 sion-approved investments in infrastructure that was used and useful.

26 11. Prior to approval, the commission shall consider whether a program
27 is adequately designed to mitigate potential financial hardship to
28 affected residential customers in connection with the replacement of
29 gas-fired appliances as part of neighborhood gas transition projects
30 implemented pursuant to the program.

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

33 1. There shall be in the department of public service a public service
34 commission, which shall possess the powers and duties hereinafter speci-
35 fied, and also all powers necessary or proper to enable it to carry out
36 the purposes of this chapter and to enable achievement of the climate
37 justice and emission reduction provisions in chapter one hundred six of
38 the laws of two thousand nineteen. The commission shall consist of five
39 members, to be appointed by the governor, by and with the advice and
40 consent of the senate. A commissioner shall be designated as [~~chairman~~]
41 chairperson of the commission by the governor to serve in such capacity
42 at the pleasure of the governor or until [~~his~~] the commissioner's term
43 [~~as commissioner~~] expires whichever first occurs. At least one commis-
44 sioner shall have experience in utility consumer advocacy. No more than
45 three commissioners may be members of the same political party unless,
46 pursuant to action taken under subdivision two of this section, the
47 number of commissioners shall exceed five, and in such event no more
48 than four commissioners may be members of the same political party.

49 § 4. Paragraph b of subdivision 1 of section 5 of the public service
50 law, as amended by chapter 155 of the laws of 1970, is amended to read
51 as follows:

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

1 § 5. Section 30 of the public service law, as amended by chapter 686
2 of the laws of 2002, is amended to read as follows:

3 § 30. Residential gas, electric and steam service policy. 1. This
4 article shall apply to the provision of all or any part of the gas,
5 electric or steam service provided to any residential customer by any
6 gas, electric or steam and municipalities corporation or municipality.
7 It is hereby declared to be the policy of this state that the continued
8 provision of [~~all or any part of such gas,~~] electric and steam [~~service~~]
9 services to all residential customers without unreasonable qualifica-
10 tions or lengthy delays is necessary for the preservation of the health
11 and general welfare, is consistent with the achievement of the state's
12 climate justice and emission reduction goals, and is in the public
13 interest. It is further the policy of this state that electric and steam
14 services to all residential customers, and gas service for existing
15 residential customers must be provided in a manner that is safe and
16 adequate, not unjustly discriminatory or unduly preferential, and in all
17 respects just and reasonable, while providing for an orderly, affordable
18 and equitable right-sizing of the utility gas system to achieve consist-
19 ency with the climate justice and emission reduction provisions in chap-
20 ter one hundred six of the laws of two thousand nineteen, and such
21 successors in law and function as may arise from time to time, encourag-
22 ing neighborhood-scale transitions and the elimination of on-site
23 co-pollutants.

24 2. (a) The commission shall regulate for the continued provision of
25 gas service to all existing residential gas customers, unless such
26 service is discontinued by the customer, or is discontinued pursuant to
27 a regional savings and reliability program approved by the commission
28 pursuant to section sixty-six-y of this chapter.

29 (b) For the purposes of this section, any new residential gas customer
30 purchasing or renting or moving into a building with existing gas
31 service, or in which gas service was temporarily interrupted, as defined
32 by the commission, including temporary interruption for emergencies,
33 disasters, maintenance, repairs, renovation, or restoration, shall be
34 treated as an existing customer unless and until such service is discon-
35 tinued pursuant to a regional savings and reliability program approved
36 by the commission.

37 3. Nothing in this article shall be interpreted or otherwise construed
38 as preempting a municipality from adopting building codes or other regu-
39 lations regarding on-site emissions for new and existing buildings with-
40 in their localities.

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

44 1. (a) Every gas corporation, electric corporation or municipality
45 shall provide residential service upon the oral or written request of an
46 applicant, provided that any residential gas service shall only be
47 provided in accordance with section thirty of this article, and provided
48 further that the commission may require that requests for service be in
49 writing under circumstances as it deems necessary and proper as set
50 forth by regulation, and provided further that the applicant:

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

53 [~~(b)~~] (ii) agrees to make payments under a deferred payment plan of
54 any amounts due for service to a prior account in [~~his~~] the applicant's
55 name and makes a down payment based on criteria to be established by the
56 commission. No such down payment shall exceed one-half of any money due

1 from an applicant for residential utility service, or three months aver-
2 age billing, whichever is less; or

3 [~~e~~] (iii) is a recipient of public assistance, supplemental security
4 income or additional state payments pursuant to the social services law,
5 or is an applicant for such assistance, income or payments, and the
6 utility corporation or the municipality receives payment from, or is
7 notified of the applicant's eligibility for utility payments by the
8 social services official of the social services district in which such
9 person resides for amounts due for service to a prior account in the
10 applicant's name, together with guarantee of future payments to the
11 extent authorized by the social services law; and

12 (iv) receives clear, timely information from the gas corporation,
13 electric corporation, municipality, or retail energy service company,
14 written in plain language, available in the top twelve most common non-
15 English languages spoken by limited English proficient New Yorkers, and
16 approved by the commission after stakeholder input, on incentives and
17 opportunities for installing energy-efficient electric heating and cool-
18 ing technologies, weatherization, demand-side management, and distrib-
19 uted energy resource programs.

20 (b) Nothing in this subdivision shall be construed to prohibit exist-
21 ing gas customers, in accordance with section thirty of this article and
22 subject to any other regulations implemented by the commission, from
23 reconnecting to the gas distribution system following a gas interruption
24 due to emergency repairs or remediation of leaking equipment.

25 3. Subject to the requirements of subdivisions four, four-a and five
26 of this section, and in accordance with section thirty of this article,
27 whenever a residential customer moves to a new residence within the
28 service territory of the same utility corporation or municipality, [~~he~~]
29 the applicant shall be eligible to receive service at the new residence
30 and such service shall be considered a continuation of service in all
31 respects except for the purposes of section thirty of this article, with
32 any deferred payment agreement honored, and with all rights of such
33 customer and such utility corporation provided by this article unim-
34 paired.

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

43 4-a. In the case of any application for gas service to a building
44 which is not supplied with gas, a utility corporation or municipality
45 shall be obligated to provide gas service to such building in accordance
46 with commission regulation, provided however, that the commission shall
47 require applicants for gas service to such building to pay or agree in
48 writing to pay material and installation costs relating to the pipe or
49 other facilities to be installed to enable service to the applicant.

50 § 7. Section 12 of the transportation corporations law, as separately
51 amended by chapters 713 and 895 of the laws of 1981, is amended to read
52 as follows:

53 § 12. [~~Gas and electricity~~] Electricity must be supplied on applica-
54 tion. Except in the case of an application for residential utility
55 service pursuant to article two of the public service law, upon written
56 application of the owner or occupant of any building within one hundred

1 feet of any [~~main of a gas corporation or gas and electric corporation,~~
2 ~~or a~~] line of an electric corporation or gas and electric corporation,
3 appropriate to the service requested, and payment by [~~him~~] the applicant
4 of all money due from [~~him~~] the applicant to the corporation, it shall
5 supply [~~gas or~~] electricity as may be required for [~~lighting~~] such
6 building, notwithstanding there be rent or compensation in arrears for
7 gas or electricity supplied, or for meter, wire, pipe or fittings
8 furnished, to a former occupant thereof, unless such owner or occupant
9 shall have undertaken or agreed with the former occupant to pay or to
10 exonerate [~~him~~] the former occupant from the payment of such arrears,
11 and shall refuse or neglect to pay the same; and if for the space of ten
12 days after such application, and the deposit of a reasonable sum as
13 provided in the next section, if required, the corporation shall refuse
14 or neglect to supply gas or [~~electric light~~] electricity as required,
15 such corporation shall forfeit and pay to the applicant the sum of ten
16 dollars, and the further sum of five dollars for every day thereafter
17 during which such refusal or neglect shall continue; provided that no
18 such corporation shall be required to lay service pipes or wires for the
19 purpose of supplying gas or electric light to any applicant where the
20 ground in which such pipe or wire is required to be laid shall be
21 frozen, or shall otherwise present serious obstacles to laying the same;
22 nor unless the applicant, if required, shall deposit in advance with the
23 corporation a sum of money sufficient to pay the cost of [~~his proper-~~
24 ~~tion~~] the applicant's portion of the pipe, conduit, duct or wire
25 required to be installed, and the expense of the installation of such
26 portion.

27 § 8. The transportation corporations law is amended by adding a new
28 section 13 to read as follows:

29 § 13. (a) Gas must be supplied in accordance with public service
30 commission rules and regulations. Except in the case of an application
31 for residential utility service pursuant to article two of the public
32 service law, upon written application of the owner or occupant of any
33 building within one hundred feet of any main of a gas corporation or gas
34 and electric corporation appropriate to the service requested, and
35 payment by the applicant of all money due from the applicant to the
36 corporation, it shall supply gas for such building in accordance with
37 public service commission regulations, notwithstanding there be rent or
38 compensation in arrears for gas supplied, or for meter, pipe or fittings
39 furnished, to a former occupant thereof, unless such owner or occupant
40 shall have undertaken or agreed with the former occupant to pay or to
41 exonerate the former occupant from the payment of such arrears, and
42 shall refuse or neglect to pay the same; and if for the space of ten
43 days after such application, and the deposit of a reasonable sum, if
44 required, the corporation shall refuse or neglect to supply gas as
45 required pursuant to public service commission rules and regulations,
46 such corporation shall forfeit and pay to the applicant the sum of ten
47 dollars, and the further sum of five dollars for every day thereafter
48 during which such refusal or neglect shall continue; provided that no
49 such corporation shall be required to lay service pipes for the purpose
50 of supplying gas to any applicant where the ground in which such pipes
51 are required to be laid shall be frozen, or shall otherwise present
52 serious obstacles to laying the same; nor unless the applicant shall
53 deposit in advance with the corporation a sum of money sufficient to pay
54 the material and installation costs relating to the pipe or other facil-
55 ities to be installed to enable service to the applicant.

1 (b) Any actions taken by the commission pursuant to paragraph (a) of
2 this section and pursuant to applicable rules and regulations shall at a
3 minimum, require the provision of gas service to any building that is
4 exempt pursuant to subparagraph (iii) of paragraph (b) of subdivision
5 seven of section 11-104 of the energy law or when provision of such gas
6 service may reduce electric loads as necessary to maintain the reliabil-
7 ity of the electrical plant.

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

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

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

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

53 § 11. This act shall take effect December 31, 2025.