

# 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.

LBD05559-14-5

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.

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

§ 30. Residential gas, electric and steam service policy. 1. This article shall apply to the provision of all or any part of the gas, electric or steam service provided to any residential customer by any gas, electric or steam and municipalities corporation or municipality. It is hereby declared to be the policy of this state that the continued provision of ~~[all or any part of such gas,]~~ electric and steam ~~[service]~~ services to all residential customers without unreasonable qualifications or lengthy delays is necessary for the preservation of the health and general welfare, is consistent with the achievement of the state's climate justice and emission reduction goals, and is in the public interest. It is further the policy of this state that electric and steam services to all residential customers, and gas service for existing residential customers must be provided in a manner that is safe and adequate, not unjustly discriminatory or unduly preferential, and in all respects just and reasonable, while providing for an orderly, affordable and equitable right-sizing of the utility gas system to achieve consistency with the climate justice and emission reduction provisions in chapter one hundred six of the laws of two thousand nineteen, and such successors in law and function as may arise from time to time, encouraging neighborhood-scale transitions and the elimination of on-site co-pollutants.

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

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

3. Nothing in this article shall be interpreted or otherwise construed as preempting a municipality from adopting building codes or other regulations regarding on-site emissions for new and existing buildings within their localities.

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

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

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

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



1 from an applicant for residential utility service, or three months average billing, whichever is less; or

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

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

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

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

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 material and installation costs relating to the applicant's proportion of the pipe, conduit, duct or wire, or other facilities to be installed.

41 4-a. In the case of any application for gas service to a building  
42 which is not supplied with gas, a utility corporation or municipality  
43 shall be obligated to provide gas service to such building in accordance  
44 with commission regulation, provided however, that the commission shall  
45 require applicants for gas service to such building to pay or agree in  
46 writing to pay material and installation costs relating to the pipe or  
47 other facilities to be installed to enable service to the applicant.

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

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

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 propor-~~  
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.

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

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

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

9. For purposes of this section, a "covered neighborhood gas transition project" shall mean a project performed by contractors or subcontractors hired directly by a public utility company, as defined by subdivision twenty-three of section two of the public service law, to ensure that customers permanently transitioning off utility gas service as part of a regional savings and reliability program pursuant to section sixty-six-y of the public service law have continued access to safe and reliable energy services for heating, cooling, cooking, and water heating. A covered neighborhood gas transition project shall not include a project performed under private contract with an entity other than a public utility company, even if such entity or contractor receives financial and/or technical support from a public utility company, including for the purchase and installation of customer-owned equipment.

§ 10. Severability. If any word, phrase, clause, sentence, paragraph, section, 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 word, phrase, clause, sentence, paragraph, section, or part thereof directly involved in the controversy in which such judgment shall have been rendered. It is hereby declared to be the intent of the legislature that this act would have been enacted even if such invalid provisions had not been included herein.

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