



EANY SUPPORTS Peak Solutions



[S.4378-A \(Brisport, et al.\)](#)

[A.6251 \(Carroll, et al.\)](#)

Explanation:

This legislation requires operators of electric generating units, defined as peaker plants, located in or adjacent to environmental justice communities, to develop and implement plans to replace fossil fuel-fired units with renewable generating facilities and/or long duration energy storage technologies.

Peaker plants are typically old, dirty, inefficient electric generating units that are only called on to supply the electric grid during times of peak power demand. Despite the infrequency of their operations, these facilities are propped up by capacity payments through markets run by the New York Independent System Operator (NYISO). A [recent report by the PEAK Coalition](#) identified \$4.5 billion in capacity payments to peaker plants located in New York City in the last ten years.

The Climate Leadership and Community Protection Act (CLCPA) requires 70-percent of New York's electricity be generated by renewables by 2030 and 100-percent to come from zero emission resources by 2040. The climate law also prioritizes actions to reduce pollution in environmental justice communities, areas where peaker plants are predominately located. By making permit renewals contingent on replacement or retirement plans within five years, with provisions to ensure reliability, this legislation is in alignment with the climate justice intent of the CLCPA by accelerating the just transition off of fossil fuels in the communities that are hit the hardest by air pollution.

Summary:

This bill requires the operators of electric generating units defined as peaker plants operating in or adjacent to environmental justice communities to submit plans to replace fossil fuel-fired units with renewables and/or long duration energy storage when applying to the DEC for a renewal of operating permits. The plans, if approved by DEC, are required to be implemented within five years of the operating permit renewal. Alternatively, operators could notify DEC of plans to retire by 2026. The legislation allows the DEC to grant a one-time five-year extension of the operating permit if it is determined that replacing or retiring a peaker plant would threaten the reliability of the electric grid.