



NEW YORK STATE SENATOR

James Skoufis

Skoufis Releases Investigative Report Exposing Regulatory Pitfalls & Improper Executive Relationships Involving CPV Valley

JAMES SKOUFIS October 3, 2024

| ISSUE: **CPV, CLEAN ENERGY, NEW YORK STATE DEPARTMENT OF ENVIRONMENTAL CONSERVATION**

| COMMITTEE: **INVESTIGATIONS AND GOVERNMENT OPERATIONS**

REPORT FROM THE NEW YORK STATE SENATE

COMMITTEE ON INVESTIGATIONS AND GOVERNMENT OPERATIONS

CHAIR
SENATOR JAMES SKOUFIS

Final Investigative Report: Regulatory Pitfalls & Improper Executive Relationships Involving CPV Valley

The Senator urges Legislature to adopt reform proposals.

Senator James Skoufis (D-Orange County), as Chair of the Senate Investigations and Government Operations Committee, announced the conclusion of his months-long investigation into the regulatory pitfalls and improper executive relationships involving the permitting approval for Competitive Power Ventures' ("CPV") Valley Energy Center in

Wawayanda, New York.

While residents across the region remain concerned by the legality of CPV Valley's continued operation and its impacts on health and the environment, and as New Yorkers grapple with recent high-profile instances of corrupt influence within state government, the investigative report issues the committee's findings following multiple rounds of information requests to CPV and the Department of Environmental Conservation ("DEC"). Furthermore, the report identifies several recommendations in response to statutory and regulatory shortcomings, including:

- **Advancing legislation to suspend or deny environmental permits** to companies if corruption was involved in the permitting process whether by a government agency or energy company, even if related to an earlier permit.
- **Investing in advanced tracking tools** and fostering collaboration between Regional Greenhouse Gas Initiative ("RGGI") and non-RGGI states to address energy leakage.
- **Forming a commission to review the Emissions Reduction Credit ("ERC") market**, instituting transparency measures to prevent price manipulation, and conducting regular audits by an independent body.
- **Preventing preferential treatment** by keeping all advance notice of Request for Information ("RFI") and Request for Proposals ("RFP") release dates for projects confidential until official release, ensuring no entity gains an unfair advantage.
- **Ensuring consistency in Title IV and Title V permitting timelines**, providing guidelines to avoid disadvantaging compliant firms.
- **Requiring private companies seeking business with executive branch offices to obtain signed ethics disclosure forms** when hiring immediate family of executive branch officials, and enacting penalties for non-compliance.

- **Clearly defining DEC's jurisdiction** and establishing guidelines for pipeline permitting under the Natural Gas Act and Section 401 of the Clean Water Act, enabling transparency, accountability, and efficiency.
- **Providing for localities to have access to the necessary expertise** and resources of relevant state agencies – such as DEC or NYSERDA – in order to ensure proper oversight and competence in the permitting process.
- **Restoring and expanding DEC's workforce** to handle inspections and enforcement effectively.

The Committee specifically highlights Senate Bill [S.3575](#) of 2023, sponsored by Skoufis, as both a proactive and retroactive legislative solution; **the bill would allow for the denial or suspension of environmental permits to companies involved in corruption**—either from executive agency or energy power plant officials—in the permitting process, even if related to earlier permits. A version of this legislation would help deter corrupt practices, remove unnecessary meddling by high-ranking policymakers, and uphold the integrity of environmental regulations.

q

*Our investigative report lays bare the numerous regulatory and statutory deficiencies that allowed a flawed project like CPV to advance through the permitting process,” said **Senator Skoufis**. “Particularly when dealing with air and water quality, the state’s environmental permitting process must be far better shielded from undue influence and operate with the highest level of integrity to ensure the public’s trust. The 2025 legislative session ought to advance the recommendations highlighted in our report as a means to rebuild confidence in agency decision-making.”*

This is the ninth probe completed during Skoufis’ time as chair, following investigations into: the role of pharmacy benefit managers, statewide code enforcement, housing discrimination, public authorities and industrial development agencies, live event ticketing practices, utility

b

rate hikes, and more.