

**CITY OF PLATTSBURGH
LOCAL LAW P -1 OF 2026**

**CITY OF PLATTSBURGH
LOCAL LAW P-1 OF 2026**

Introduced by Mayor Hughes on **May 7, 2026** at a Regular meeting of the Common Council.

Public Hearing to be held on **Wednesday, June 17, 2026 at 5:30pm** in the Council Chambers, 41 City Hall Place, Plattsburgh, NY 12901.

A LOCAL LAW REGULATING HIGH-ENERGY-INTENSIVE USES, INCLUDING CRYPTOCURRENCY MINING OPERATIONS, BLOCKCHAIN VALIDATION FACILITIES, AND LARGE-SCALE DATA CENTERS

BE IT ENACTED by the Common Council of the City of Plattsburgh as follows:

ARTICLE I

LEGISLATIVE INTENT AND FINDINGS

§ 1. Authority

This Local Law is adopted pursuant to the Municipal Home Rule Law, General City Law, and the City's police powers to protect and promote the health, safety, welfare, economic stability, infrastructure integrity, and fiscal interests of the residents of the City of Plattsburgh.

This Local Law is further intended to regulate the allocation and consumption of finite municipal electric resources and to ensure that high-energy-intensive land uses provide commensurate economic benefit to the City and its residents.

§ 2. Legislative Findings

The Common Council hereby finds and determines that:

1. The City operates a municipal electric utility system with finite generation, transmission, distribution, and infrastructure capacity.

2. The Municipal Lighting Department (“MLD”) is required to manage electrical demand in a manner that protects:
 - a. System reliability;
 - b. Long-term infrastructure integrity;
 - c. Ratepayer affordability;
 - d. Available electric supply;
 - e. Public investment in municipal infrastructure; and
 - f. The City’s economic development objectives.
3. Certain emerging industrial and commercial uses, including but not limited to:
 - a. Cryptocurrency mining operations;
 - b. Blockchain validation facilities;
 - c. Large-scale commercial data centers;
 - d. High-density computing facilities; and
 - e. Similar energy-intensive computing operations,

consume extraordinarily large quantities of electricity while often employing relatively small numbers of workers.

4. Such uses may:
 - a. Increase costs borne by municipal ratepayers;
 - b. Accelerate infrastructure wear and replacement needs;
 - c. Consume disproportionate shares of favorable-rate municipal electric supply;
 - d. Create electric capacity constraints;
 - e. Require substantial municipal infrastructure upgrades or advance expenditures;
 - f. Reduce the availability of municipal electric resources for other commercial, industrial, or residential uses;
 - g. Provide limited local economic benefit relative to their electrical consumption; and

- h. Produce speculative or extractive economic activity inconsistent with the City's long-term planning objectives.
5. The Common Council further finds that the establishment of objective employment-to-energy-consumption standards constitutes a rational and measurable method of ensuring that high-energy-intensive uses provide substantial economic benefit proportional to the municipal resources consumed.
6. The Common Council further finds that this Local Law does not prohibit high-energy-intensive uses but instead establishes reasonable operational and permitting standards designed to protect municipal infrastructure and promote equitable allocation of municipal electric resources.

§ 3. Purpose and Intent

The purposes of this Local Law are to:

1. Protect the integrity and reliability of the municipal electric system;
2. Protect City taxpayers and ratepayers from disproportionate infrastructure and energy costs;
3. Promote employment-generating economic activity;
4. Establish objective standards governing high-energy-intensive uses;
5. Ensure equitable economic return relative to municipal electric resource consumption;
6. Prevent unreasonable adverse impacts on municipal infrastructure and municipal electric capacity; and
7. Preserve the availability of municipal electric resources for diverse residential, commercial, governmental, educational, and industrial uses.

ARTICLE II

DEFINITIONS

§ 4. Definitions

For purposes of this Local Law, the following terms shall have the meanings indicated:

A. "High-Energy-Intensive Use"

Any use, facility, operation, or portion thereof that:

1. Consumes; or

2. Is reasonably expected to consume,
one (1) megawatt (“MW”) or more of electrical demand.

B. “Cryptocurrency Mining Operation”

A facility or use dedicated in whole or in part to:

1. Blockchain processing;
2. Cryptocurrency mining;
3. Digital asset validation;
4. Proof-of-work processing; or
5. Similar computational verification activity.

C. “Data Center”

A facility primarily utilized for:

1. Commercial server hosting;
2. Cloud computing services;
3. Data storage;
4. Data processing;
5. Artificial intelligence computing operations;
6. High-density computing operations; or
7. Similar large-scale computing activity.

D. “Employee”

A full-time equivalent (“FTE”) employee who:

1. Works a minimum average of thirty (30) hours per week; and
2. Performs work physically within the City of Plattsburgh.

E. “Employment-to-Energy Ratio”

The number of full-time equivalent employees per megawatt of electrical demand.

ARTICLE III

APPLICABILITY

§ 5. Applicability

This Local Law shall apply to:

1. All new High-Energy-Intensive Uses;
2. Any expansion or modification of an existing use that increases electrical demand to one (1) MW or greater; and
3. Any change in use resulting in electrical demand meeting or exceeding one (1) MW.

ARTICLE IV

PERFORMANCE STANDARDS

§ 6. Minimum Employment Requirement

For purposes of this section, a covered facility shall maintain the following minimum number of full-time equivalent on-site employees:

1. 0 MW to 0.5 MW: no minimum employee requirement;
2. More than 0.5 MW but less than 1 MW: at least 6 full-time equivalent on-site employees;
3. 1 MW to less than 2 MW: at least 12 full-time equivalent on-site employees; and
4. 2 MW or more: at least 18 full-time equivalent on-site employees.

ARTICLE V

PERMIT REQUIREMENTS

§ 7. Permit Required

1. No High-Energy-Intensive Use shall be established, expanded, or operated without a permit approved by the Common Council and issued by the Code Enforcement Officer.
2. Issuance of a permit pursuant to this Local Law shall not create a vested right to continued allocation of municipal electric capacity, continued electrical service at any particular level, or continued operation in violation of subsequently adopted laws, regulations, utility requirements, infrastructure limitations, or lawful orders of the City.

3. All permits issued pursuant to this Local Law shall remain subject to the continuing police powers of the City and the lawful operational requirements of the Municipal Lighting Department.
4. The applicant shall bear the burden of demonstrating compliance with the requirements of this Local Law.
5. Operators subject to this Local Law shall annually provide documentation reasonably requested by the City or Municipal Lighting Department demonstrating continued compliance with this Local Law.

§ 8. Surety Bond

1. As a condition of permit issuance and continued operation, the operator shall provide and maintain a surety bond in an amount determined by the Municipal Lighting Department based upon projected electrical demand, anticipated utility usage, and projected monthly utility charges as determined by the Municipal Lighting Department, or One Million Dollars (\$1,000,000), whichever is greater.
2. The City of Plattsburgh shall be named as the beneficiary of said surety bond. The surety bond shall be used solely for the purpose of securing the payment of utility bills by the operator of the facility.
3. In the event of a delinquency of a utility bill which lasts for more than thirty (30) days, the City of Plattsburgh shall be permitted to exercise any and all rights related to the surety bond.
4. In lieu of a security bond, a deposit of funds in an amount equal to the requirements of the surety bond shall be permitted.

§ 9. Aggregation of Related Operations

For purposes of determining electrical demand, applicability, or compliance with this Local Law, the City may aggregate electrical demand attributable to operations, facilities, properties, entities, or uses that are:

1. Commonly owned;
2. Commonly managed;
3. Under common control;
4. Affiliated through ownership or contractual relationship;
5. Coordinated operationally;
6. Located upon adjacent or nearby parcels; or

7. Reasonably determined by the City, based upon substantial evidence, to constitute components of a unified or integrated operation.

The Common Council and Municipal Lighting Department may consider shared infrastructure, shared management, shared utility connections, coordinated operations, common beneficial ownership, timing of development, and other relevant factors in determining whether aggregation is appropriate. Any determination regarding aggregation of operations under this section shall be supported by substantial evidence in the record.

ARTICLE VI

ENFORCEMENT

§ 10. Enforcement

Violations of this Local Law may result in civil penalties, permit suspension or revocation, or limitation of electrical service following notice and an opportunity to be heard.

§ 11. Notice and Opportunity to be Heard

1. Prior to the suspension or revocation of any permit issued pursuant to this Local Law, or prior to any limitation of electrical service authorized herein, the affected party shall receive:
 - a. Written notice of the alleged violation;
 - b. A reasonable opportunity to cure, where appropriate;
 - c. Notice of the date, time, and place of a hearing before the Common Council or its designee; and
 - d. An opportunity to present evidence and testimony.
2. Any determination made pursuant to this Local Law shall be supported by written findings of fact.
3. Determinations under this Local Law shall be subject to judicial review pursuant to Article 78 of the Civil Practice Law and Rules.
4. Nothing herein shall prevent the City or the Municipal Lighting Department from taking immediate temporary action reasonably necessary to protect municipal infrastructure, electric system reliability, public safety, or the continuity of municipal utility operations.

ARTICLE VII

SEVERABILITY

§ 12. Severability

If any clause, sentence, paragraph, subdivision, section, or portion of this Local Law shall be adjudged invalid by a court of competent jurisdiction, such judgment shall not affect, impair, or invalidate the remainder thereof.

ARTICLE VIII

STATE ENVIRONMENTAL QUALITY REVIEW ACT (SEQRA)

§ 13. Environmental Review

1. Adoption and administration of this Local Law shall be subject to the requirements of the New York State Environmental Quality Review Act (“SEQRA”) and its implementing regulations.
2. Prior to adoption of this Local Law, the Common Council shall undertake all required environmental review, including consideration of:
 - a. Municipal electric infrastructure impacts;
 - b. Energy consumption impacts;
 - c. Economic impacts upon municipal ratepayers and taxpayers;
 - d. Land use compatibility;
 - e. Infrastructure capacity constraints; and
 - f. Such other environmental and community impacts as may be required pursuant to SEQRA.
3. The Common Council hereby finds that protection of finite municipal electric resources, infrastructure reliability, and municipal utility capacity constitutes a legitimate governmental objective directly affecting the public health, safety, and welfare of the residents of the City of Plattsburgh.

ARTICLE IX

EFFECTIVE DATE

§ 14. Effective Date

This Local Law shall take effect immediately upon filing with the Secretary of State.