

# STATE OF NEW YORK

7134

2025-2026 Regular Sessions

## IN SENATE

April 1, 2025

Introduced by Sen. PARKER -- read twice and ordered printed, and when printed to be committed to the Committee on Energy and Telecommunications

AN ACT to amend the public service law and the labor law, in relation to requiring the establishment of carbon capture projects

The People of the State of New York, represented in Senate and Assembly, do enact as follows:

1 Section 1. The public service law is amended by adding a new section  
2 66-x to read as follows:

3 § 66-x. Carbon capture projects. 1. The legislature hereby finds and  
4 declares that:

5 (a) the climate leadership and community protection act (CLCPA)  
6 requires significant reductions in greenhouse gas emissions, including a  
7 forty percent reduction in statewide greenhouse gas emissions by two  
8 thousand thirty and an eighty-five percent reduction in statewide green-  
9 house gas emissions by two thousand fifty;

10 (b) in order to meet these aggressive targets, it is necessary to  
11 further develop technologies that can help reduce greenhouse gas emis-  
12 sions from existing infrastructure;

13 (c) carbon capture technology has the potential to reduce greenhouse  
14 gas emissions from hard-to-electrify and other sectors, including the  
15 industrial sector, but in order for the technology to be scaled for  
16 broader use, innovative efforts will be needed;

17 (d) decarbonization of these sectors will provide substantial benefits  
18 to disadvantaged communities, where sources in the industrial and  
19 related sectors are often sited;

20 (e) supporting the further development of carbon capture technology  
21 will offer new opportunities for developing and employing New York's  
22 workforce; and

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

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1 (f) therefore, it is the intent of the legislature to support the  
2 development of carbon capture technology in New York in order to achieve  
3 the greenhouse gas emissions reduction goals of the CLCPA.

4 2. As used in this section:

5 (a) "carbon capture" means the capture of greenhouse gas emissions  
6 that would otherwise be released into the atmosphere;

7 (b) "carbon capture demonstration project" means a project integrated  
8 into the gas distribution system or installed at a customer site to  
9 develop and test carbon capture technologies, which may include aspects  
10 related to the storage and/or transportation of any captured carbon; and

11 (c) "final carbon capture project" means a carbon capture demon-  
12 stration project that has been approved by the commission in accordance  
13 with paragraph (c) of subdivision four of this section and any addi-  
14 tional carbon capture project or projects as noted in such paragraph.

15 3. No later than June first, two thousand twenty-five, the commission  
16 shall initiate a proceeding to support the development of carbon capture  
17 for the purpose of meeting the greenhouse gas emissions goals of the  
18 CLCPA.

19 4. (a) No later than December first, two thousand twenty-five, each  
20 gas corporation shall submit to the commission, for review and approval,  
21 at least one and no more than five carbon capture demonstration  
22 projects, provided that each gas corporation shall submit at least one  
23 carbon capture demonstration project that provides workforce benefits,  
24 including job retention, creation or training, and at least one carbon  
25 capture demonstration project that reduces greenhouse gas emissions in a  
26 disadvantaged community as defined in article seventy-five of the envi-  
27 ronmental conservation law.

28 (b) The commission shall, no later than June first, two thousand twen-  
29 ty-six, determine whether it is in the public interest to approve or  
30 modify such carbon capture demonstration projects and shall issue an  
31 order directing each gas corporation to implement the approved or modi-  
32 fied carbon capture demonstration projects. In determining whether  
33 carbon capture demonstration projects are in the public interest, the  
34 commission shall consider whether the project: (i) reduces greenhouse  
35 gas emissions; (ii) furthers the development of carbon capture technolo-  
36 gy in New York; (iii) provides benefits to customers, including but not  
37 limited to public health benefits in areas with disproportionate envi-  
38 ronmental or public health burdens; and (iv) has the potential to be  
39 scaled to provide workforce benefits, including job retention, creation  
40 or training. The demonstration phase of the projects shall continue no  
41 longer than twenty-four months.

42 (c) No later than ninety days prior to completion of the carbon  
43 capture demonstration projects, and based on the information reported to  
44 the commission as required by subdivision five of this section, the  
45 commission shall determine whether it is in the public interest to  
46 approve the carbon capture demonstration projects with or without  
47 modification as final carbon capture projects and shall issue an order  
48 directing the gas corporations to continue the carbon capture demon-  
49 stration projects as final carbon capture projects in accordance there-  
50 with. In determining whether it is in the public interest to approve  
51 the carbon capture demonstration projects as final carbon capture  
52 projects, the commission shall consider whether the carbon capture  
53 demonstration projects have substantially met the four factors artic-  
54 ulated in paragraph (b) of this subdivision. The order issued in  
55 connection with this paragraph shall further authorize gas corporations

1 to pursue additional carbon capture projects consistent with its  
2 approval of the carbon capture demonstration projects.

3 (d) Any order issued pursuant to paragraphs (b) and (c) of this  
4 subdivision shall provide for full cost recovery of any costs related to  
5 the implementation and operation of the approved carbon capture demon-  
6 stration projects and final carbon capture projects.

7 5. Each gas corporation shall report to the commission, on a quarterly  
8 basis and until completion of its carbon capture demonstration projects,  
9 on the status of each such carbon capture demonstration project. The  
10 report shall include: (a) the stage of development of each project; (b)  
11 barriers to development; (c) costs of the project; (d) number of jobs  
12 retained, created or enhanced by the demonstration project; and (e) any  
13 other information required by the commission.

14 § 2. Subdivisions 1 and 8 of section 224-d of the labor law, subdivi-  
15 sion 1 as amended by section 31 of part 0 of chapter 58 of the laws of  
16 2024 and subdivision 8 as added by chapter 375 of the laws of 2022, are  
17 amended to read as follows:

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

38 8. Any thermal energy network, carbon capture demonstration project or  
39 final carbon capture project covered by this section shall require all  
40 contractors and subcontractors performing construction work to use  
41 apprenticeship agreements, as defined by article twenty-three of this  
42 chapter, with pre-apprenticeship direct entry providers registered with  
43 the department.

44 § 3. This act shall take effect immediately.