S T A T E  O F  N E W  Y O R K

6129

I N  S E N A T E

(PREFILED)

January 8, 2014

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

AN ACT to amend the public authorities law, in relation to creating the New York state consortium on the development of a hydrogen economy

THE PEOPLE OF THE STATE OF NEW YORK, REPRESENTED IN SENATE AND ASSEMBLY, DO ENACT AS FOLLOWS:

Section 1. Legislative intent. The legislature finds and declares that reducing greenhouse gas emissions (GHG) to 80% below the State's 1990 levels by 2050 is an ambitious goal for New York state to pursue. To achieve that goal it is important that the State invest in new energy systems that rely on renewable sources of electricity and to develop the necessary infrastructure to support very low or zero GHG emissions, especially related to carbon dioxide reductions.

The legislature further finds that while New York is a leader in pursuing energy conservation and efficiency, further policy efforts must be aimed at replacing our reliance on the combustion of fossil fuels, especially related to transportation and electric power generation. Policies must shift to encourage the further development and commercialization of a broad range of activities and initiatives that will ensure development of GHG zero or low emissions for fleets and mass transportation, as well as personal vehicles. The commercialization of hydrogen-based technology and fuel cells would allow New York state to lead environmentally by reducing carbon emissions and compete globally for the commercialization of these technologies. Hydrogen can be produced from a variety of domestically available primary resources such as fossil fuels (natural gas, coal, etc.), renewables (wind, photovoltaics, bio-fuels, etc.), and nuclear power. Developing hydrogen-based technologies and fuel cells will require solutions to many barriers including the development of the necessary refueling infrastructure to support further commercialization and market penetration.

The legislature therefore declares that it is in the best interest of the State to build on the New York State Hydrogen Roadmap prepared in

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

LBD13148-01-3

2005 by Energetics Incorporated, Albany NanoTech, and the National Hydrogen Association in the course of performing work contracted for and sponsored by the New York state energy research and development authority, the New York power authority, and the Long Island power authority and therefore, statutorily direct the New York State energy research and development authority to create and direct a New York state consortium on the development of a hydrogen economy. The primary purpose of the consortium will be to: identify the technical and non-technical barriers to the broad scale commercialization of hydrogen-based technologies and fuel cells with major automotive Original Equipment Manufacturers (OEM); facilitate strategies to promote, retain and expand hydrogen-based technologies and fuel cell industries in New York state; to facilitate the installation of infrastructure for hydrogen production, storage, transportation, fueling capability and refueling stations, including the development of appropriate safety codes, standards, regulation and educational materials regarding hydrogen-based technologies and fuel cells; and to identify areas within the state transportation system that would benefit from the integration of potential mass transit and fleet transit locations with hydrogen-based technology and fuel cell refueling stations.

S 2. The public authorities law is amended by adding a new section 1884 to read as follows:

S 1884. NEW YORK STATE CONSORTIUM ON THE DEVELOPMENT OF A HYDROGEN ECONOMY. 1. DEFINITIONS. AS USED IN THIS SECTION, THE FOLLOWING TERMS SHALL HAVE THE FOLLOWING MEANINGS UNLESS OTHERWISE SPECIFIED:

A. "AUTHORITY" SHALL MEAN THE NEW YORK STATE ENERGY RESEARCH AND DEVELOPMENT AUTHORITY CREATED PURSUANT TO TITLE NINE OF ARTICLE EIGHT OF THIS CHAPTER.

B. "CONSORTIUM" SHALL MEAN THE NEW YORK STATE CONSORTIUM ON THE DEVELOPMENT OF A HYDROGEN ECONOMY.

2. CREATION; MEMBERS. THERE IS HEREBY CREATED THE NEW YORK STATE CONSORTIUM ON THE DEVELOPMENT OF A HYDROGEN ECONOMY TO BE CONVENED BY THE AUTHORITY. THE CONSORTIUM MAY CONSIST OF REPRESENTATIVES FROM THE DEPARTMENT OF ECONOMIC DEVELOPMENT; THE DEPARTMENT OF TRANSPORTATION; THE NEW YORK STATE THRUWAY AUTHORITY; THE NEW YORK POWER AUTHORITY; AND THE LONG ISLAND POWER AUTHORITY. IT SHALL ALSO BE COMPRISED OF MEMBERS OF THE PUBLIC, INDIVIDUALS WITH KNOWLEDGE AND LEADERSHIP IN ONE OF THE FOLLOWING FIELDS: RENEWABLE ENERGY, HYDROGEN-BASED TECHNOLOGIES, FUEL CELL DEVELOPMENT, SCIENTIFIC OR TECHNOLOGICAL PRODUCT AND MARKET DEVELOPMENT, SAFETY PRACTICES, OR INTERNATIONAL, NATIONAL AND STATE TECHNICAL CODES AND STANDARDS DEVELOPMENT. THE CHAIRPERSON OF THE CONSORTIUM SHALL BE THE PRESIDENT OF THE AUTHORITY.

3. POWERS AND DUTIES. A. THE CONSORTIUM IS DIRECTED TO DEVELOP A REPORT WHICH SHALL INCLUDE AN IMPLEMENTATION STRATEGY AND SPECIFIC RECOMMENDATIONS TO PRESENT TO THE GOVERNOR AND THE LEGISLATURE THAT ADVANCES HYDROGEN-BASED TECHNOLOGY, INFRASTRUCTURE DEPLOYMENT, AND FUEL CELL DEVELOPMENT AND PRODUCTION IN NEW YORK STATE.

B. THE MEMBERS OF THE CONSORTIUM SHALL RECEIVE NO COMPENSATION FOR THEIR SERVICES. NOTWITHSTANDING ANY INCONSISTENT PROVISION OF ANY GENERAL, SPECIAL OR LOCAL LAW, ORDINANCE, RESOLUTION OR CHARTER, NO OFFICER, MEMBER OR EMPLOYEE OF THE STATE OR OF ANY PUBLIC CORPORATION SHALL FORFEIT HIS OR HER OFFICE OR EMPLOYMENT BY REASON OF HIS OR HER ACCEPTANCE OF APPOINTMENT AS A MEMBER OF THE CONSORTIUM, NOR SHALL SERVICE ON SUCH CONSORTIUM BE DEEMED INCOMPATIBLE OR IN CONFLICT WITH SUCH OFFICE OR EMPLOYMENT.

4. REPORT; RECOMMENDATIONS. THE CONSORTIUM IS DIRECTED TO DEVELOP A REPORT WHICH SHALL INCLUDE AN IMPLEMENTATION STRATEGY AND SPECIFIC RECOMMENDATIONS TO PRESENT TO THE GOVERNOR AND THE LEGISLATURE THAT ADVANCES HYDROGEN-BASED TECHNOLOGY AND FUEL CELL DEVELOPMENT AND PRODUCTION IN NEW YORK STATE. THE REPORT SHALL INCLUDE, BUT NOT BE LIMITED TO, STRATEGY AND RECOMMENDATIONS TO:

A. IDENTIFY THE TECHNICAL AND NON-TECHNICAL BARRIERS TO THE BROAD SCALE COMMERCIALIZATION OF HYDROGEN-BASED TECHNOLOGIES AND FUEL CELLS;

B. PROMOTE LONG-TERM PARTNERSHIPS WITH AUTOMOTIVE ORIGINAL EQUIPMENT MANUFACTURERS AS WELL AS WITH FEDERAL AND STATE RESEARCH ENTITIES, SMALL BUSINESS, AND INDUSTRY THAT ACTIVELY SUPPORTS THOSE INDUSTRIES ASSOCIATED WITH THE AUTOMOTIVE INDUSTRY AND THEIR SUPPLIERS BY: ENSURING THAT COMMERCIALLY AVAILABLE HYDROGEN AND FUEL CELL VEHICLES ARE OFFERED ON THE RETAIL MARKET AT A COMPETITIVE PRICE TO BATTERY, ELECTRIC OR OTHER LOW OR ZERO EMISSION VEHICLES; PROVIDING CONVENIENT ACCESS TO HYDROGEN FUELING STATIONS FOR AT LEAST SIXTY PERCENT OF NEW YORKERS; AND, PROVIDING A COMMITMENT TO THE DEVELOPMENT OF RENEWABLE SOURCES OF ENERGY FOR HYDROGEN PRODUCTION;

C. FACILITATE STRATEGIES TO PROMOTE, RETAIN AND EXPAND HYDROGEN-BASED TECHNOLOGIES AND FUEL CELL INDUSTRIES IN NEW YORK STATE, INCLUDING THE DEVELOPMENT OF NEAR-TERM NICHE-MARKET APPLICATIONS FOR HYDROGEN FUEL CELLS DESIGNED FOR PRODUCTS SUCH AS FORKLIFTS AND OTHER MACHINERY, BACK-UP POWER FOR TELECOMMUNICATIONS AND EMERGENCY RESPONSE, AND MILITARY OPERATIONS;

D. FACILITATE A MANUFACTURING RESEARCH AND DEVELOPMENT EFFORT THAT DEMONSTRATES PROCESSES AND TECHNOLOGIES THAT WILL REDUCE THE COSTS ASSOCIATED WITH HYDROGEN PRODUCTION, DELIVERY, STORAGE AND FUEL CELL DEVELOPMENT AND PRODUCTION THAT WILL FURTHER PROMOTE MARKET DEVELOPMENT AND PENETRATION WHILE ENSURING QUALITY AND RELIABILITY;

E. FACILITATE THE INSTALLATION OF INFRASTRUCTURE FOR HYDROGEN PRODUCTION, STORAGE, TRANSPORTATION, FUELING CAPABILITY, AND REFUELING STATIONS INCLUDING THE DEVELOPMENT OF APPROPRIATE SAFETY, CODES, STANDARDS, REGULATION AND EDUCATIONAL MATERIALS REGARDING HYDROGEN-BASED TECHNOLOGIES AND FUEL CELLS;

F. FACILITATE THE DEVELOPMENT AND PURCHASE OF HYDROGEN AND FUEL CELL VEHICLES FOR USE BY STATE FLEETS, PUBLIC OR PRIVATE SECTOR FLEETS, MASS TRANSIT FLEETS, AND SCHOOL BUS FLEETS;

G. CONSULT WITH THE DEPARTMENT OF TRANSPORTATION AND THE NEW YORK STATE THRUWAY AUTHORITY, TO IDENTIFY AREAS WITHIN THE STATE TRANSPORTATION SYSTEM THAT WOULD BENEFIT FROM THE INTEGRATION OF POTENTIAL MASS TRANSIT AND FLEET TRANSIT LOCATIONS WITH HYDROGEN-BASED TECHNOLOGY AND FUEL CELL REFUELING STATIONS, INCLUDING CONSIDERATIONS FOR THE TECHNOLOGICAL, FACILITY AND FINANCIAL ARRANGEMENTS NEEDED FOR THE PURCHASE OR CONVERSION OF STATE FLEETS AS WELL AS IDENTIFYING SPECIFIC LOCATIONS FOR HYDROGEN REFUELING STATIONS ALONG THE NEW YORK STATE THRUWAY, AS WELL AS OTHER STATE ROADS AND HIGHWAYS, AT LOCATIONS THAT COULD POTENTIALLY BE UTILIZED BY STATE FLEETS OR OTHER PUBLIC OR PRIVATE SECTOR FLEETS, SUCH AS MASS TRANSIT BUS AND SCHOOL BUS FLEETS;

H. CONSULT WITH THE PUBLIC SERVICE COMMISSION, THE NEW YORK INDEPENDENT SYSTEM OPERATOR, AND ELECTRIC AND NATURAL GAS SERVICE PROVIDERS TO IDENTIFY AREAS IN THE ELECTRIC AND NATURAL GAS DISTRIBUTION SYSTEM OF THE STATE THAT WOULD BE EFFECTED BY THE DEVELOPMENT OF HYDROGEN-BASED TECHNOLOGY OR FUEL CELL TECHNOLOGY;

I. IDENTIFY POTENTIAL SOURCES OF FEDERAL FUNDS AND COORDINATE STATE, UNIVERSITY, PUBLIC AND PRIVATE SECTOR EFFORTS TO SECURE SUCH FUNDS; AND

J. IDENTIFY POTENTIAL AMENDMENTS TO STATE LAWS, REGULATIONS, OR POLICIES INCLUDING THE USE OF REGIONAL GREENHOUSE GAS INITIATIVE (RGGI), CONSENT ORDERS ISSUED BY THE PUBLIC SERVICE COMMISSION RELATED TO THE RENEWABLE PORTFOLIO STANDARD, THE SYSTEMS BENEFITS CHARGES, AND ENERGY EFFICIENCY PORTFOLIO STANDARDS, AND OTHER STATE POLICIES TO PROMOTE HYDROGEN-BASED TECHNOLOGY AND FUEL CELLS.

5. ANNUAL REPORTING. THE CONSORTIUM SHALL SUBMIT THEIR REPORT TO THE GOVERNOR, THE TEMPORARY PRESIDENT OF THE SENATE, THE SPEAKER OF THE ASSEMBLY, THE MINORITY LEADER OF THE SENATE AND THE MINORITY LEADER OF THE ASSEMBLY ON OR BEFORE SEPTEMBER FIRST, TWO THOUSAND FOURTEEN, AND ANNUALLY THEREAFTER.

6. ASSISTANCE. TO EFFECTUATE THE PURPOSES OF THIS SECTION, THE NEW YORK STATE ENERGY RESEARCH AND DEVELOPMENT AUTHORITY IS DIRECTED TO ASSIST THE CONSORTIUM IN THE DEVELOPMENT OF THE IMPLEMENTATION PLAN AND SPECIFIC RECOMMENDATIONS THAT ADVANCE HYDROGEN-BASED TECHNOLOGY, FUEL CELL DEVELOPMENT AND PRODUCTION AND THE NECESSARY INFRASTRUCTURE IN NEW YORK STATE IN ACCORDANCE WITH THIS SECTION. THE CONSORTIUM MAY REQUEST FROM ANY DEPARTMENT, DIVISION, BOARD, BUREAU, COMMISSION OR AGENCY OF THE STATE TO PROVIDE TO THE CONSORTIUM SUCH FACILITIES, ASSISTANCE AND DATA AS WILL ENABLE THE CONSORTIUM TO PROPERLY CARRY OUT ITS POWERS AND DUTIES.

S 3. Section 1854 of the public authorities law is amended by adding a new subdivision 22 to read as follows:

22. TO PROVIDE ASSISTANCE TO THE NEW YORK STATE CONSORTIUM ON THE DEVELOPMENT OF A HYDROGEN ECONOMY AS ESTABLISHED IN SECTION EIGHTEEN HUNDRED EIGHTY-FOUR OF THIS ARTICLE IN THE DEVELOPMENT OF THE REPORT WHICH SHALL INCLUDE AN IMPLEMENTATION STRATEGY AND SPECIFIC RECOMMENDATIONS TO ADVANCE HYDROGEN-BASED TECHNOLOGY, FUEL CELLS AND THE NECESSARY INFRASTRUCTURE IN NEW YORK STATE. THE AUTHORITY IS AUTHORIZED AND DIRECTED TO USE ANY MONIES CURRENTLY AVAILABLE TO EFFECTUATE SUCH REPORT.

S 4. This act shall take effect immediately.