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I N S E N A T E

(PREFILED)

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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:

1 Section 1. Legislative intent. The legislature finds and declares that
2 reducing greenhouse gas emissions (GHG) to 80% below the State's 1990
3 levels by 2050 is an ambitious goal for New York state to pursue. To
4 achieve that goal it is important that the State invest in new energy
5 systems that rely on renewable sources of electricity and to develop the
6 necessary infrastructure to support very low or zero GHG emissions,
7 especially related to carbon dioxide reductions.
8 The legislature further finds that while New York is a leader in
9 pursuing energy conservation and efficiency, further policy efforts must
10 be aimed at replacing our reliance on the combustion of fossil fuels,
11 especially related to transportation and electric power generation.
12 Policies must shift to encourage the further development and commercial-
13 ization of a broad range of activities and initiatives that will ensure
14 development of GHG zero or low emissions for fleets and mass transporta-
15 tion, as well as personal vehicles. The commercialization of hydrogen-
16 based technology and fuel cells would allow New York state to lead envi-
17 ronmentally by reducing carbon emissions and compete globally for the
18 commercialization of these technologies. Hydrogen can be produced from a
19 variety of domestically available primary resources such as fossil fuels
20 (natural gas, coal, etc.), renewables (wind, photovoltaics, bio-fuels,
21 etc.), and nuclear power. Developing hydrogen-based technologies and
22 fuel cells will require solutions to many barriers including the devel-
23 opment of the necessary refueling infrastructure to support further
24 commercialization and market penetration.
25 The legislature therefore declares that it is in the best interest of
26 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.

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1 2005 by Energetics Incorporated, Albany NanoTech, and the National
2 Hydrogen Association in the course of performing work contracted for and
3 sponsored by the New York state energy research and development authori-
4 ty, the New York power authority, and the Long Island power authority
5 and therefore, statutorily direct the New York State energy research and
6 development authority to create and direct a New York state consortium
7 on the development of a hydrogen economy. The primary purpose of the
8 consortium will be to: identify the technical and non-technical barriers
9 to the broad scale commercialization of hydrogen-based technologies and
10 fuel cells with major automotive Original Equipment Manufacturers (OEM);
11 facilitate strategies to promote, retain and expand hydrogen-based tech-
12 nologies and fuel cell industries in New York state; to facilitate the
13 installation of infrastructure for hydrogen production, storage, trans-
14 portation, fueling capability and refueling stations, including the
15 development of appropriate safety codes, standards, regulation and
16 educational materials regarding hydrogen-based technologies and fuel
17 cells; and to identify areas within the state transportation system that
18 would benefit from the integration of potential mass transit and fleet
19 transit locations with hydrogen-based technology and fuel cell refueling
20 stations.

21 S 2. The public authorities law is amended by adding a new section
22 1884 to read as follows:

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

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

29 B. "CONSORTIUM" SHALL MEAN THE NEW YORK STATE CONSORTIUM ON THE DEVEL-
30 OPMENT OF A HYDROGEN ECONOMY.

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

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

48 B. THE MEMBERS OF THE CONSORTIUM SHALL RECEIVE NO COMPENSATION FOR
49 THEIR SERVICES. NOTWITHSTANDING ANY INCONSISTENT PROVISION OF ANY GENER-
50 AL, SPECIAL OR LOCAL LAW, ORDINANCE, RESOLUTION OR CHARTER, NO OFFICER,
51 MEMBER OR EMPLOYEE OF THE STATE OR OF ANY PUBLIC CORPORATION SHALL
52 FORFEIT HIS OR HER OFFICE OR EMPLOYMENT BY REASON OF HIS OR HER ACCEPT-
53 ANCE OF APPOINTMENT AS A MEMBER OF THE CONSORTIUM, NOR SHALL SERVICE ON
54 SUCH CONSORTIUM BE DEEMED INCOMPATIBLE OR IN CONFLICT WITH SUCH OFFICE
55 OR EMPLOYMENT.

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

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

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

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

25 D. FACILITATE A MANUFACTURING RESEARCH AND DEVELOPMENT EFFORT THAT
26 DEMONSTRATES PROCESSES AND TECHNOLOGIES THAT WILL REDUCE THE COSTS ASSO-
27 CIATED WITH HYDROGEN PRODUCTION, DELIVERY, STORAGE AND FUEL CELL DEVEL-
28 OPMENT AND PRODUCTION THAT WILL FURTHER PROMOTE MARKET DEVELOPMENT AND
29 PENETRATION WHILE ENSURING QUALITY AND RELIABILITY;

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

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

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

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

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

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

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

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

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

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

32 S 4. This act shall take effect immediately.