

STATE OF NEW YORK

3788

2021-2022 Regular Sessions

IN ASSEMBLY

January 28, 2021

Introduced by M. of A. CUSICK, ENGLEBRIGHT -- read once and referred to the Committee on Energy

AN ACT to amend the energy law, in relation to establishing a program for eligible renewable hydrogen

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

1 Section 1. The energy law is amended by adding a new article 13 to
2 read as follows:

ARTICLE 13

RENEWABLE HYDROGEN INCENTIVE AND FINANCING PROGRAM

Section 13-101. Definitions.

13-102. Renewable hydrogen incentive and financing program.

§ 13-101. Definitions. As used in this article:

3 1. "Eligible renewable hydrogen" shall mean hydrogen (a) produced with
4 electricity generated from renewable energy systems as defined by
5 section sixty-six-p of the public service law, as added by chapter one
6 hundred six of the laws of two thousand nineteen; (b) which is phys-
7 ically located within the jurisdiction of the New York independent
8 system operator; and (c) delivered to a customer in New York state,
9 where such delivery shall be subject to independent verification by the
10 New York state energy research and development authority or a qualified
11 independent party.

12 2. "Eligible curtailed renewable hydrogen" means hydrogen (a) produced
13 with electricity generated from a renewable energy system as defined by
14 section sixty-six-p of the public service law, as added by chapter one
15 hundred six of the laws of two thousand nineteen, which has seen its
16 electricity output curtailed; (b) which is physically located within the
17 jurisdiction of the New York independent system operator; and (c) deliv-
18 ered to a customer in New York state, where such delivery shall be
19 subject to independent verification by the New York state energy
20 research and development authority or a qualified independent party.

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

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1 § 13-102. Renewable hydrogen incentive and financing program.
2 Notwithstanding any other provision of law to the contrary, including,
3 but not limited to, any order, rule or regulation promulgated pursuant
4 to the public service law, the public authorities law, and/or the state
5 administrative procedure act, the public service commission, in consul-
6 tation with the New York state energy research and development authori-
7 ty, shall adopt a program within one year of the effective date of this
8 section to provide support to and for eligible renewable hydrogen and,
9 at a greater rate, eligible curtailed renewable hydrogen, through a
10 proceeding to engage stakeholders in order to design and implement a
11 competitive program for eligible renewable hydrogen production for the
12 purpose of meeting the state's clean energy and greenhouse emissions
13 reductions targets. The program shall require:

14 1. administration by the New York state energy research and develop-
15 ment authority;

16 2. a diversity of project sizes, geographic distribution, and partic-
17 ipation among customer classes, subject to cost-effectiveness consider-
18 ations;

19 3. incentive or financing structures that maximize cost-effectiveness
20 and practicality through competitive procurements, standing-offers,
21 production incentives or capacity incentives at the wholesale or retail
22 level as, in the judgment of the commission, provide for the most effec-
23 tive program;

24 4. program designs that take into consideration the avoidance of long-
25 term costs to the transmission and distribution system and minimization
26 of peak load in constrained areas;

27 5. annual reports on the achievements and effectiveness of the
28 program; and

29 6. such other issues deemed appropriate by the commission.

30 § 2. This act shall take effect immediately.