

# 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.

LBD06861-01-1

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.