

STATE OF NEW YORK

2962--A

2021-2022 Regular Sessions

IN SENATE

January 26, 2021

Introduced by Sens. PARKER, ADDABBO, BAILEY, BIAGGI, BRESLIN, COMRIE, GAUGHRAN, HARCKHAM, HINCHEY, HOYLMAN, KAMINSKY, KAPLAN, KAVANAGH, PERSAUD, RIVERA, SERRANO, SKOUFIS, THOMAS -- read twice and ordered printed, and when printed to be committed to the Committee on Environmental Conservation -- committee discharged, bill amended, ordered reprinted as amended and recommitted to said committee

AN ACT to amend the environmental conservation law, in relation to establishing the "clean fuel standard of 2021"

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

- 1 Section 1. Legislative findings and declarations:
2 1. The transportation sector in New York is a leading source of crite-
3 ria pollutants and the leading source of greenhouse gas emissions that
4 endanger public health and welfare by causing and contributing to
5 increased air pollution and dangerous climate change. Meeting the
6 pollution reduction requirements of the Climate Leadership and Communi-
7 ties Protection Act will require sharp decreases in transportation-re-
8 lated emissions.
9 2. Shifting from today's petroleum-based transportation fuels to
10 alternative fuels has the potential to significantly reduce transporta-
11 tion emissions of air pollutants and greenhouse gases and is recommended
12 by the Intergovernmental Panel on Climate Change as an important pathway
13 for holding global warming to 1.5 degrees Celsius.
14 3. The Climate Leadership and Communities Protection Act directs the
15 Department of Environmental Protection to promulgate regulations that
16 will reduce greenhouse gas emissions, including from on-road vehicles.
17 4. New York signed a 15-state MOU to develop an action plan to reduce
18 toxic diesel emissions from medium and heavy-duty vehicles by 2050.
19 5. A clean fuels standard regulation would promote innovation
20 production and use of non-petroleum fuels that reduce vehicle and fuel-

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

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1 related air pollution that endangers public health and welfare and
2 disproportionately impacts disadvantaged communities.

3 § 2. Short title. This act may be known and may be cited as the "clean
4 fuel standard of 2021".

5 § 3. The environmental conservation law is amended by adding a new
6 section 19-0329 to read as follows:

7 § 19-0329. Clean fuel standard.

8 (1) A clean fuel standard is hereby established. The clean fuel stand-
9 ard is intended to reduce carbon intensity from the on-road transporta-
10 tion sector by twenty percent by two thousand thirty, with further
11 reductions to be implemented based upon advances in technology as deter-
12 mined by the commissioner. Aviation fuels shall be exempted from the
13 clean fuel standard due to federal preemption, but sustainable aviation
14 fuel shall be eligible to generate credits on an opt-in basis.

15 (2) The clean fuel standard shall apply to all providers of transpor-
16 tation fuels, including electricity, in New York, shall be measured on a
17 full fuels lifecycle basis and may be met through market-based methods
18 by which providers exceeding the performance required by the clean fuel
19 standard shall receive credits that may be applied to future obligations
20 or traded to providers not meeting the clean fuel standard. The gener-
21 ation of credits must use a lifecycle emissions performance-based
22 approach that is technology and feedstock neutral to achieve fuel decar-
23 bonization. In addition to fuel decarbonization, credits generated
24 through the use of clean fuel types will help promote innovation and
25 investment in such clean fuels. For purposes of this section the term
26 "providers" shall include, but shall not be limited to, all refiners,
27 blenders, producers or importers of transportation fuels, or enablers of
28 electricity used as transportation fuel, "carbon intensity" means the
29 quantity of lifecycle greenhouse gas emissions per unit of fuel energy,
30 and "full fuels lifecycle" means the aggregate of greenhouse gas emis-
31 sions, including direct emissions and significant indirect emissions,
32 such as significant emissions from land use changes as determined by the
33 commissioner. The full fuels lifecycle includes all stages of fuel and
34 feedstock production and distribution, from feedstock generation or
35 extraction through the distribution and delivery and use of the finished
36 fuel by the ultimate consumer. In calculating full fuels lifecycle
37 greenhouse gas emissions, the mass values for all non-carbon-dioxide
38 greenhouse gases must be adjusted to account for their relative global
39 warming potentials. This conversion shall use the most appropriate
40 conversion relative to global warming potentials as determined by the
41 commissioner based on the best available science.

42 (3) Within twenty-four months following adoption of the clean fuel
43 standard, the commissioner, in consultation with the New York state
44 energy research and development authority, shall promulgate regulations
45 establishing a clean fuel standard with performance objectives to imple-
46 ment subdivision one of this section. Such regulations may be phased
47 into effect giving priority to the heavy-duty transportation sector
48 consisting of vehicles with the classification of six or higher as clas-
49 sified by the Federal Highway Administration. The clean fuel standard
50 shall take into consideration the low carbon fuel standard adopted in
51 California and other states, may rely upon the carbon intensity of
52 values established for transportation fuels in such states and shall
53 include coordination with other Northeastern states to promote regional
54 reductions in greenhouse gas emissions.

1 (4) The regulations adopted pursuant to this section shall include
2 fees for the registration of providers to offset the costs associated
3 with implementation of the clean fuel standard.

4 (5) Within twenty-four months following the adoption of regulations
5 implementing a clean fuel standard, the commissioner shall report to the
6 legislature regarding the implementation of the program, the reductions
7 in greenhouse gas emissions that have been achieved through the clean
8 fuel standard and targets for future reductions in greenhouse gas emis-
9 sions from the transportation sector.

10 (6) Nothing in this section shall preclude the department from enact-
11 ing or maintaining other programs to reduce greenhouse gas emissions
12 from the transportation sector.

13 § 4. This act shall take effect immediately.