STATE OF NEW YORK

6949

2023-2024 Regular Sessions

IN ASSEMBLY

May 9, 2023

Introduced by M. of A. GLICK -- read once and referred to the Committee on Environmental Conservation

AN ACT to amend the environmental conservation law, in relation to exempting certain geothermal boreholes at depths beyond five hundred feet from certain requirements

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

Section 1. Legislative findings and declaration. The legislature hereby finds and declares that:

1. The climate leadership and community protection act establishes the goal of reducing statewide greenhouse gas emission levels by 40% from 1990 levels by 2030 and 85% by the year 2050 and achieving net-zero emissions statewide by 2050. The climate leadership and community protection act further created and tasked the climate action council with developing a final scoping plan outlining recommendations for attaining New York's statewide greenhouse gas emissions reduction goals.

2. The climate action council's final scoping plan recognized the electrification of buildings - particularly through the installation of closed-loop geothermal heating and cooling systems - as a key strategy to achieve the widespread decarbonization of buildings that is necessary to achieve the climate leadership and community protection act goals.

3. The final scoping plan identifies that appropriate regulations and permit fees are not in place for geothermal boreholes deeper than five hundred feet and should be developed by the department of environmental conservation. Specifically, the department applies its regulations developed for oil and gas wells to geothermal wells greater than five hundred feet deep, even though closed-loop geothermal boreholes do not involve injection into or extraction from the ground and thus do not pose an impact adverse to the environment comparable to oil and gas wells. The department's existing regulations also apply on a per-well basis, thereby adding significant cost and permitting barriers to

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

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ground-source heat pump installations and thermal energy network projects that benefit from installing multiple boreholes to distribute heat.

4. Extension of the permitting rules currently applied to closed-loop geothermal systems less than five hundred feet deep to closed-loop geothermal boreholes deeper than five hundred feet will reduce the cost of meeting New York state's building decarbonization requirements by nearly $9.9 billion by 2050; reduce the cost of meeting the state's goal of electrifying one million homes by 2030 by approximately $900 million; and reduce the cost of electrifying 85% of the state's building stock by approximately $9 billion between 2030 and 2050, in 2023 dollars. In nominal dollars, the total cost savings increase to $16.3 billion by 2050.

5. Extension of the permitting rules currently applied to closed-loop geothermal systems less than five hundred feet deep to such boreholes deeper than five hundred feet will obviate unnecessary technical and permitting barriers, open new markets to clean heating and cooling technologies in densely populated regions, and enable drastically increased leverage of federal funding to meet New York state's emissions reductions targets.

§ 2. The opening paragraph of subdivision 14 of section 23-0305 of the environmental conservation law, as added by chapter 410 of the laws of 1987, is amended to read as follows:

With respect to wells drilled deeper than five hundred feet below the earth's surface for the purpose of conducting stratigraphic tests, for finding or producing hot water or steam, for injecting fluids to recover heat from the surrounding geologic materials**, which shall not include closed-loop boreholes installed for the purpose of facilitating a geothermal heating or cooling system,** or for the disposal of brines, the department shall have the power to:

§ 3. This act shall take effect immediately.