STATE OF NEW YORK

11582

IN ASSEMBLY

June 5, 2026

Introduced by COMMITTEE ON RULES -- (at request of M. of A. Jensen) -- read once and referred to the Committee on Energy

AN ACT to amend the energy law, the public authorities law, the executive law and the environmental conservation law, in relation to bolstering the use of hydrogen in relation to the state energy plan

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

Section 1. Legislative intent. The legislature hereby finds that the state of New York must roll back its climate and energy goals, in keeping with the looming grid reliability crisis, while maintaining a healthy mix of energy sources. To that end, and given the abundance of opportunities in the sphere of alternative energy sources, it is prudent to implement the use of hydrogen, at the very least, in the context of energy storage and as a transportation fuel source, in keeping with the state energy plan, which dubs hydrogen a "clean energy source available to New York". The New York state energy research and development authority echoes the sentiment, emphasizing that this fuel source, amongst others, is "expected to play a targeted role in specific parts of the power generation system". The feasibility of both modular transport of hydrogen and the on-site storage thereof comprises another set of considerations. And in terms of fuel, the first place hydrogen vehicles should be used is in state fleets, per the governor's executive order 22 of 2022. Thereafter, use could trickle down to passenger vehicles, buses, and trucks, as well as the aviation industry, maritime shipping, ferry transportation, heavy-duty trucking, and high-temperature industrial processes. It is relatively feasible to put in a hydrogen refueling hub for fleet vehicles that return to a home base at the end of the day, or a shift. It is prudent to expand hydrogen sourcing beyond electrolysis, at the suggestion of the state energy plan, while actively encouraging the use of electrolysis methods that are more energy-efficient.

§ 2. Subparagraphs (i) and (ii) of paragraph (a) of subdivision 2 of section 6-104 of the energy law, as amended by chapter 195 of the laws of 2011, are amended to read as follows:

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

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(i) demand for electricity, natural gas, coal, petroleum products, including heating and transportation fuels, and [~~alternate~~] alternative fuels, including ethanol and other biofuels, and hydrogen, to the extent possible, taking into account energy conservation, load management and other demand-reducing measures which can be achieved in a cost-effective manner, including the basis for such projection, including an examination of possible alternate levels of demand and discussion of the forecasting methodologies and input variables used in making the forecasts;

(ii) energy supply requirements needed to satisfy demand for electricity, natural gas, coal, petroleum products, including heating and transportation fuels, and [~~alternate~~] alternative energy sources and fuels, such as hydrogen, for each region of the state, and for the state as a whole, including with respect to electricity, the amount of capacity needed to provide adequate reserve margins and capacity needed to ensure reliability and competitive markets in the various regions of the state;

§ 3. The public authorities law is amended by adding a new section 1886 to read as follows:

§ 1886. Hydrogen strategic plan. 1. As used or referred to in this section, unless a different meaning clearly appears from the context:

(a) "hydrogen" shall mean: (i) an alternative fuel source and power generation resource serving as a generally low-capacity factor resource paired with a high levelized cost of energy, and is generally known as a dispatchable emissions-free resource, and which is further defined under subdivision twelve of section 1-103 of the energy law; and (ii) in the context of a hydrogen fuel cell electric vehicle, fuel comprised primarily of molecular hydrogen, stored in either a gaseous or liquid state, suitable for use and consumption in the engine.

(b) "low-capacity factor resources" shall mean resources that are highly flexible, potentially duration-unlimited, and responsive to varying grid needs.

(c) "fuel cell" shall mean a device that produces electricity directly from hydrogen or hydrocarbon fuel through a non-combustive electro-chemical process.

(d) "fuel cell electric generating system" shall mean an arrangement or combination of equipment designed to produce electrical energy through reaction of chemicals, including but not limited to hydrogen, oxygen, methane, and natural gas.

(e) "hydrogen fuel cell electric vehicle" shall have the same meaning as the term "eligible vehicle" as defined by subdivision one of section sixty-six-o of the public service law and the term "electric vehicles" as defined by subdivision one of section sixty-six-s of the public service law.

(f) "zero-emission school bus" shall have the same meaning as in section thirty-six hundred thirty-eight of the education law.

(g) "electrolysis" shall mean the electro-chemical process whereby an electrical potential is applied to electrodes that are in contact with water, with the byproducts being hydrogen gas and oxygen gas, which, when sourced from renewables, is referred to as "green hydrogen", and, when it is sourced from nuclear reactors, is referred to as "pink hydrogen".

(h) "pyrolysis," or "methane pyrolysis," shall mean the thermal decomposition process whereby methane is heated in a reactor to high temperatures in the absence of oxygen, splitting it into hydrogen gas and solid carbon, without the formation of carbon dioxide, which is referred to as "turquoise hydrogen".

2. By January first, two thousand twenty-seven, the authority, in consultation with the state energy planning board, the federally designated electric bulk system operator, power authority of the state of New York, department of environmental conservation, department of public service and its office of renewable energy siting and electric transmission, office of general services, department of transportation, department of education, and inter-agency fire safety working group, is hereby authorized and directed to analyze and implement key findings from the assessment released in September of the year two thousand twenty-five, which was prompted by order of the public service commission in May of two thousand twenty-three, in order to prepare a hydrogen strategic plan, in keeping with the findings of the state energy plan. The hydrogen strategic plan shall centralize benchmarks towards the implementation of hydrogen in hydrogen-capable power generation assets and also in fuel, consistent with the greenhouse gas reduction goals and related considerations established in the public service law; section 75-0107 of the environmental conservation law; sections 3-101, 3-103 and 11-104 of the energy law; section three hundred seventy-seven of the executive law; section two hundred ten-B of the tax law; section ninety-seven-g of the state finance law; and any other applicable provision of law.

3. The strategic plan shall prioritize expanding hydrogen sourcing beyond electrolysis, including thermal hydrogen and hydrogen derived from waste products, to reduce electricity system impacts from production, per the state energy plan, as well as pyrolysis. The strategic plan shall also: (a) encourage the use of hydrogen, including hydrogen fuel cells, sourced from renewable energy; (b) encourage the use of hydrogen and hydrogen fuel cells in a manner that ultimately minimizes flammability; (c) prioritize the application of said hydrogen, as far as reasonably practicable, to state fleets, zero-emission school buses, public transit, aviation, maritime shipping, ferry transportation, heavy-duty trucking, and high-temperature industrial processes; (d) further analyze the feasibility of both modular transport of hydrogen and the on-site storage thereof for use; (e) describe the current and projected cost differences between powering such sectors and processes with said hydrogen compared to powering such sectors and processes with common renewable energy sources and also with natural gas and other fossil fuels; (f) further explore the differences between various forms of creating and harvesting hydrogen; and (g) further explore how hydrogen can address residual combustion in the industrial, transportation, and building sectors.

4. Special emphasis in the strategic plan shall be placed on studying the feasibility and safety of energy storage in the context of powering the grid. The fire code of New York state shall also be referenced therein.

5. Where power generation is concerned, the strategic plan should emphasize the use of linear generators, or the use of proton exchange membrane fuel cells, with slightly less prioritization of combustion turbines or solid oxide fuel cells.

6. The authority shall publicize the strategic plan on its public facing website and submit a copy of the plan to the governor, legislature, temporary president of the senate, speaker of the assembly, senate minority leader and assembly minority leader by January first, two thousand twenty-seven, and update the plan accordingly every two years thereafter.

§ 4. Subdivision 3 of section 1884 of the public authorities law is renumbered subdivision 4 and a new subdivision 3 is added to read as follows:

3. The authority shall incorporate findings from the hydrogen strategic plan, established under section eighteen hundred eighty-six of this title.

§ 5. Clause (B) of subparagraph (iii) of paragraph (h) of subdivision 27-a of section 1005 of the public authorities law, as added by section 1 of part QQ of chapter 56 of the laws of 2023, is amended to read as follows:

(B) manufacturers of green hydrogen produced through electrolysis or other zero-emission technology**, such as thermal hydrogen and hydrogen derived from waste products,** to displace fossil fuel use in the state for use at facilities located in the state;

§ 6. The executive law is amended by adding a new section 201-b to read as follows:

§ 201-b. Hydrogen strategic plan. The office of general services is hereby authorized and directed to coordinate with the New York state energy research and development authority in working towards the creation of the hydrogen strategic plan, pursuant to section eighteen hundred eighty-six of the public authorities law, and all updates thereto.

§ 7. Section 56-0603 of the environmental conservation law is amended by adding a new subdivision 3 to read as follows:

3. The office of general services is authorized and directed, consistent with the hydrogen strategic plan developed pursuant to section eighteen hundred eighty-six of the public authorities law, to conduct a project to emphasize the acquisition of clean-fueled vehicles that are hydrogen fuel cell electric vehicles and to develop and acquire the associated infrastructure, including but not limited to depot construction.

§ 8. This act shall take effect immediately.