

STATE OF NEW YORK

2474

2025-2026 Regular Sessions

IN SENATE

January 21, 2025

Introduced by Sen. PARKER -- read twice and ordered printed, and when printed to be committed to the Committee on Energy and Telecommunications

AN ACT to amend the public authorities law, in relation to authorizing the New York state energy research and development authority to administer a program to provide funds related to enabling clean hydrogen projects

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

1 Section 1. Short title. This act shall be known and may be cited as
2 the "H2 energy scale up act".

3 § 2. Section 1854 of the public authorities law is amended by adding a
4 new subdivision 27 to read as follows:

5 27. (a) To administer a program, using funds provided for such
6 purpose, to provide grants, loans or other services, based on standards
7 and guidelines established by the authority, or any other entity author-
8 ized by law to award such funding, for the costs related to the demon-
9 stration or scale up of the production, processing, delivery, storage,
10 or end use of clean hydrogen. The primary purpose of such funding shall
11 be to aid the conversion or retrofitting of fossil fuel facilities,
12 functioning and nonfunctioning, to improve the completion and expedition
13 of hydrogen projects. Such standards and guidelines shall include, but
14 not be limited to, an evaluation of (i) the clean energy supply and the
15 balance of green hydrogen projects and blue hydrogen projects, (ii)
16 whether the hydrogen project will yield hourly matching, and (iii)
17 whether the deliverability of a project supports substantial deployment
18 of clean energy in this decade while being efficiently and responsibly
19 interconnected to the current generation systems. Projects shall be
20 approved by the authority prior to completion in order to receive the
21 funds authorized by this subdivision. A participating entity shall only

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

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1 continue to receive funding if it meets the completion and effectiveness
2 and efficiency requirements established by the authority.

3 (b) (i) No later than December thirty-first, two thousand twenty-six,
4 and annually thereafter, each participating entity shall report to the
5 authority on the completion of its clean hydrogen project and the effi-
6 ciency of its scale up.

7 (ii) No later than April first, two thousand twenty-seven, and annual-
8 ly thereafter, the authority shall report to the governor, the temporary
9 president of the senate, the speaker of the assembly, the chair of the
10 senate energy and telecommunications committee and the chair of the
11 assembly energy committee on the results of such program including the
12 information provided to the authority in subparagraph (i) of this para-
13 graph, any funds disbursed, projects completed and the effectiveness and
14 efficiency of such projects. Information on the effectiveness of fund-
15 ing and expediting each hydrogen project shall be based on year over
16 year data starting after the first full cycle of renewable energy
17 production from the funded hydrogen project.

18 (iii) The authority shall make the report required pursuant to subpar-
19 agraph (ii) of this paragraph available to the public on its website.

20 (c) For the purposes of this subdivision:

21 (i) "green hydrogen project" means renewable hydrogen, obtained by
22 electrolysis of water. Such projects shall be powered entirely by renew-
23 able energy and generate no polluting emissions into the atmosphere; and

24 (ii) "blue hydrogen project" means hydrogen produced mainly from
25 natural gas, using a steam reforming process. The output of such process
26 is hydrogen with carbon dioxide produced as a by-product.

27 § 3. This act shall take effect immediately.