

STATE OF NEW YORK

7133

2025-2026 Regular Sessions

IN SENATE

April 1, 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 service law, in relation to enacting the "renewable natural gas standard act"

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 "renewable natural gas standard act".

3 § 2. The public service law is amended by adding a new section 66-x to
4 read as follows:

5 § 66-x. Establishment of a renewable natural gas standard. 1. (a) The
6 legislature hereby finds that:

7 (i) the climate leadership and community protection act (CLCPA)
8 requires significant reductions in greenhouse gas emissions, including a
9 forty percent reduction in statewide greenhouse gas emissions by two
10 thousand thirty and an eighty-five percent reduction in statewide green-
11 house gas emissions by two thousand fifty;

12 (ii) in order to meet these aggressive targets, it is necessary to
13 further develop renewable energy sources, including renewable natural
14 gas;

15 (iii) the production of renewable natural gas is a desirable source of
16 renewable energy because it captures methane otherwise emitted into the
17 atmosphere from various sources of waste, thereby reducing greenhouse
18 gas reductions;

19 (iv) renewable natural gas is an important renewable energy source to
20 pair with more intermittent resources (solar, wind) because it is readi-
21 ly available and can use existing natural gas infrastructure for reli-
22 able storage and delivery; and

23 (v) harnessing renewable natural gas as a fuel option will advance the
24 achievement of the CLCPA's greenhouse gas emissions reduction goals,

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

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1 retain existing and/or create new jobs, stimulate the local economy and
2 provide potential additional revenue streams for entities such as local
3 farmers and municipalities.

4 (b) The legislature therefore declares that:

5 (i) renewable natural gas can be a carbon-negative resource and its
6 use is necessary to decarbonize the gas distribution system; and

7 (ii) the establishment of a renewable natural gas standard for gas
8 corporations is required to accelerate the development of renewable
9 natural gas in New York and support the achievement of the CLCPA green-
10 house gas emissions reduction goals.

11 2. As used in this section:

12 (a) "biogas" means a mixture of carbon dioxide and hydrocarbons,
13 primarily methane gas, released from the biological decomposition of
14 organic materials;

15 (b) "environmental attribute" means any credits, benefits, offsets or
16 allowances, including allowances under all applicable trading, compli-
17 ance, or budget programs, or any other federal, state, or regional emis-
18 sion, renewable energy, or energy conservation trading or budget program
19 associated with renewable natural gas;

20 (c) "life cycle greenhouse gas emissions" means the aggregate quantity
21 of greenhouse gas emissions related to the full fuel life cycle, includ-
22 ing all stages of fuel and feedstock production and distribution, from
23 feedstock generation or extraction through the distribution and delivery
24 and use of the finished fuel to the customer;

25 (d) "renewable energy sources" means hydroelectric, geothermal, solar
26 photovoltaic, wind, tidal, wave, biomass, biogas or similar energy
27 sources;

28 (e) "renewable natural gas" means any of the following products proc-
29 essed to meet pipeline quality standards or transportation fuel grade
30 requirements:

31 (i) biogas that is upgraded to meet natural gas pipeline quality stan-
32 dards such that it may blend with, or substitute for, geologic natural
33 gas;

34 (ii) hydrogen gas produced using renewable energy sources and/or
35 produced with a carbon intensity equal to or less than two kilograms of
36 carbon dioxide equivalent produced at the site of production per kilo-
37 gram of hydrogen produced; or

38 (iii) methane gas derived from any combination of biogas, hydrogen gas
39 derived from renewable energy sources or waste carbon dioxide; and

40 (f) "renewable natural gas infrastructure" means equipment and facili-
41 ties necessary for the production, processing, pipeline interconnection,
42 and distribution of renewable natural gas by a gas corporation to
43 customers.

44 3. No later than January first, two thousand twenty-six, the commis-
45 sion shall establish a program to require that gas corporations procure
46 renewable natural gas from third parties, including affiliates of the
47 gas corporation, for distribution to natural gas customers. The program
48 shall require gas corporations to procure renewable natural gas to meet
49 the following targets:

50 (a) for each of the calendar years two thousand twenty-six through two
51 thousand thirty, at least five percent of the gas corporation's total
52 volumetric purchases shall be renewable natural gas;

53 (b) for each of the calendar years two thousand thirty-one through two
54 thousand thirty-five, at least ten percent of the gas corporation's
55 total volumetric purchases shall be renewable natural gas;

1 (c) for each of the calendar years two thousand thirty-six through two
2 thousand forty, at least fifteen percent of the gas corporation's total
3 volumetric purchases shall be renewable natural gas;

4 (d) for each of the calendar years two thousand forty-one through two
5 thousand forty-five, at least twenty percent of the gas corporation's
6 total volumetric purchases shall be renewable natural gas; and

7 (e) for each of the calendar years two thousand forty-six through two
8 thousand fifty, at least twenty-five percent of the gas corporation's
9 total volumetric purchases shall be renewable natural gas.

10 4. In establishing the program set forth in subdivision three of this
11 section, the commission shall:

12 (a) adopt cost recovery mechanisms to allow a gas corporation to
13 recover costs related to the purchase of renewable natural gas and costs
14 related to renewable natural gas infrastructure necessary for a gas
15 corporation to comply with the targets established in subdivision three
16 of this section;

17 (b) provide for the treatment of any environmental attributes associ-
18 ated with the purchase of renewable natural gas;

19 (c) consider appropriate cost mitigation measures;

20 (d) provide for the verification of renewable natural gas procured by
21 gas corporations;

22 (e) provide financial incentives related to the production and proc-
23 essing of renewable natural gas to entities that own non-hazardous land-
24 fills, dairy farms, wastewater treatment plants and food waste process-
25 ing facilities;

26 (f) design the program in a manner to maximize the development of
27 renewable natural gas in New York state; and

28 (g) design the program in a manner to provide benefits to disadvan-
29 tagged communities, as defined in article seventy-five of the environ-
30 mental conservation law, to the extent practicable.

31 5. Gas corporations shall, to the extent practicable, prioritize the
32 procurement of renewable natural gas from non-hazardous landfills,
33 farms, wastewater treatment plants and food waste processing facilities.

34 6. In the event a gas corporation is not able to procure the volume of
35 renewable natural gas in any calendar year necessary to comply with the
36 targets established in subdivision three of this section, the gas corpo-
37 ration may petition the commission for a waiver of the requirements of
38 subdivision three of this section for that calendar year. The commission
39 shall grant a waiver pursuant to this subdivision if the gas corporation
40 demonstrates that (a) there is not an adequate renewable natural gas
41 supply for the gas corporation to procure to comply with the targets
42 established in subdivision three of this section or (b) complying with
43 the targets would have an adverse impact on the gas corporation and its
44 ratepayers.

45 7. Notwithstanding any provision of law to the contrary, any calcu-
46 lation of the greenhouse gas emissions produced by the distribution
47 system of a gas corporation shall account for the life cycle greenhouse
48 gas emissions associated with renewable natural gas, including avoided
49 emissions associated with the production and development of renewable
50 natural gas.

51 § 3. Section 66-f of the public service law is amended by adding a new
52 subdivision 4 to read as follows:

53 4. The purchase of renewable natural gas by a gas corporation for the
54 purposes of complying with the requirements of section sixty-six-x of
55 this article shall not be subject to the requirements of this section.

56 § 4. This act shall take effect immediately.