

STATE OF NEW YORK

7133--A

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 -- recommitted to the Committee on Energy and Telecommunications in accordance with Senate Rule 6, sec. 8 -- committee discharged, bill amended, ordered reprinted as amended and recommitted to said committee

AN ACT to amend the public service law, in relation to enacting the "renewable natural gas standard act"; and making an appropriation therefor

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 emissions;

19 (iv) renewable natural gas is an important renewable energy source to
20 pair with more intermittent resources (solar, wind) because it is readi-

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

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1 ly available and can use existing natural gas infrastructure for reli-
2 able storage and delivery; and

3 (v) harnessing renewable natural gas as a fuel option will advance the
4 achievement of the CLCPA's greenhouse gas emissions reduction goals,
5 retain existing and/or create new jobs, stimulate the local economy and
6 provide potential additional revenue streams for entities such as local
7 farmers and municipalities.

8 (b) The legislature therefore declares that:

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

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

15 2. As used in this section:

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

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

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

29 (d) "renewable energy sources" means hydroelectric, geothermal, solar
30 photovoltaic, wind, tidal, wave, biomass, biogas or similar energy
31 sources;

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

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

38 (ii) 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-seven, 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-seven through
51 two thousand thirty, at least five percent of the gas corporation's
52 total 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 enter
13 into long-term contracts of up to thirty years in length and recover
14 costs related to the purchase of renewable natural gas and costs related
15 to renewable natural gas infrastructure necessary for a gas corporation
16 to comply with the targets established in subdivision three of this
17 section;

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

20 (c) consider appropriate cost mitigation measures;

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

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

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

29 (g) design the program to maximize global greenhouse gas emissions
30 benefits; and

31 (h) design the program in a manner to provide benefits to disadvan-
32 taged communities, as defined in article seventy-five of the environ-
33 mental conservation law, to the extent practicable.

34 5. Gas corporations shall, to the extent practicable, prioritize the
35 reduction of greenhouse gas emissions when procuring renewable natural
36 gas from non-hazardous landfills, farms, wastewater treatment plants and
37 food waste processing facilities based on the lifecycle carbon intensity
38 of each renewable natural gas source as calculated by the Argonne
39 National Laboratory's Research and Development Greenhouse gases, Regu-
40 lated Emissions and Energy use in Technologies (R&D GREET) lifecycle
41 assessment model.

42 6. In the event a gas corporation is not able to procure the volume of
43 renewable natural gas in any calendar year necessary to comply with the
44 targets established in subdivision three of this section, the gas corpo-
45 ration may petition the commission for a waiver of the requirements of
46 subdivision three of this section for the portion of fuel such gas
47 corporation was unable to attain for that calendar year. The commission
48 shall grant a waiver pursuant to this subdivision if the gas corporation
49 demonstrates that (a) there is not an adequate renewable natural gas
50 supply for the gas corporation to procure to fully comply with the
51 targets established in subdivision three of this section or (b) comply-
52 ing with the targets would have an adverse impact on the gas corporation
53 and its ratepayers.

54 7. Notwithstanding any provision of law to the contrary, any calcu-
55 lation of the greenhouse gas emissions produced by the distribution
56 system of a gas corporation shall account for the life cycle greenhouse

1 gas emissions benefits associated with renewable natural gas emissions
2 associated with the production and development of renewable natural gas
3 in related waste or agricultural systems and including any lifecycle
4 emission reductions occurring globally, including avoided.

5 8. Notwithstanding any other provision of law to the contrary, the
6 program shall allow free import of renewable natural gas from other
7 states and shall not include any import barriers not also imposed on the
8 conventional gas supply.

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

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

14 § 4. The sum of seven hundred fifty thousand dollars (\$750,000), or so
15 much thereof as may be necessary, is hereby appropriated to the State
16 University of New York College of Environmental Science and Forestry,
17 through its Bioeconomy Development Institute, out of any moneys in the
18 state treasury in the general fund to the credit of the state purposes
19 fund, not otherwise appropriated, and made immediately available, for
20 the purpose of calculating the lifecycle carbon intensity of each renew-
21 able natural gas source procured by a gas corporation under the program
22 established pursuant to section 66-x of the public service law, as added
23 by section two of this act. Such moneys shall be payable on the audit
24 and warrant of the comptroller on vouchers certified or approved by the
25 State University of New York College of Environmental Science and Fores-
26 try, through its Bioeconomy Development Institute, in the manner
27 prescribed by law.

28 § 5. This act shall take effect immediately.