

July 26, 2019

Historic Climate Law Puts New York on a Path to Net Zero GHG Emissions

The [Climate Leadership and Community Protection Act](#), signed into law on July 18th, 2019, set a goal for New York state to be virtually carbon neutral by 2050.

The bulk of the statewide emission reductions (85% below 1990 levels by 2050) must be achieved directly at the source of the emissions. Specific goals include:

- Reducing emissions across all sectors of the economy, including the electricity, transportation, building, industrial, commercial and agricultural sectors;
- Increasing emission-free electricity such as offshore wind and solar energy in their energy supply;
- Reducing statewide energy consumption and increasing energy storage capacity; and
- Creating strategies to improve air quality throughout the state and in disadvantaged communities.



For non-electricity sectors, the Act does not prescribe a specific plan to meet these GHG goals; instead, it creates a Climate Action Council which will draft a Scoping plan that reviews various GHG-reducing options. In the next several years, New York will hold a series of engagement sessions to design the Scoping Plan.

Additionally, the Act includes a provision that allows up to 15% of the goal to be met with carbon offsets. The offset system would be relatively narrow in scope; facilities can only use offsets if they can demonstrate they have already made all practicable emissions reductions. Additionally, the offset project must be in the same county and within 25 miles of the emissions source to the extent practicable. ClimeCo will continue to monitor the development of a New York-based climate strategy, including key implementation details of the offset system such as project eligibility and protocol design.

The Act requires the final rules for New York's carbon reduction mechanism to be promulgated within four years.

For more information or to discuss how ClimeCo can drive value for your organization, contact Nancy Marshall at 864-266-1210 or nmarshall@climeco.com.

ClimeCo Corporation is a respected advisor, transaction facilitator, and trader of environmental commodity market products. Specialized expertise in regulated carbon, regional criteria pollutant trading programs, voluntary markets, and project development and financing of CO₂ abatement and mitigation systems, complement ClimeCo's diverse portfolio.