



# New York Battery and Energy Storage Technology Consortium, Inc.

February 8, 2024

The Honorable Kathy Hochul  
Governor  
State of New York  
Executive Chamber  
Albany, NY 12224

Re: 30-Day Amendments

Dear Governor Hochul:

The New York Battery and Energy Storage Technology Consortium, along with the undersigned organizations, write to respectfully request you to include a sales tax exemption for energy storage in the 30-day Budget amendments to your 2025 Budget.

Energy storage is an essential carbon-free technology to achieve the State's climate goals, including 70 percent renewable energy by 2030 and a zero-emission grid by 2040, as required by the Climate Leadership and Community Protection Act. The need for energy storage is clear: Energy storage is a zero-emission technology that enables widescale renewable energy integration on the grid, provides grid flexibility, reduces reliance on fossil-fuel generators and "peaker" plants, ensures reliability and electric grid resilience, and reduces greenhouse gas and other air pollutant emissions.

As Governor, you have recognized the critical need for energy storage on the electric grid and importantly, you directed the establishment of a new Roadmap for Energy Storage to increase the State's energy storage goal from 3 GW to 6 GW by 2030. A sales tax exemption for energy storage would enact an important complementary policy to cost-effectively achieve this increased goal.

Due to inflationary and supply chain pressures, the cost of residential and commercial energy storage siting and deployment continues to be extremely high. Despite their numerous benefits, energy storage technologies are not currently eligible for exemption from state sales and use taxes for residential and commercial installation. Other similar clean energy technologies, such as residential and commercial solar energy equipment, geothermal heat pumps and commercial fuel cells are afforded a sales tax exemption. Importantly, fossil-fueled electric generators also receive a State sales tax exemption.

Including a sales tax exemption for energy storage in the Executive Budget would ensure that "stand-alone" energy storage projects would be eligible for State sales and use tax exemptions and would support the cost-effective deployment of this valuable technology. It would also ensure that fossil-fueled generators and clean

energy technologies are treated similarly under State tax law, thus leveling the playing field for these technologies. By reducing project costs, the legislation will benefit the State's electric grid, improve air quality in communities across the state, create well-paying union jobs, and reduce costs to ratepayers.

For the reasons listed above, we strongly encourage inclusion of a sales tax exemption for energy storage in the 30-day Budget amendments. Please let us know how we can be helpful to you on this and any other issues.

We appreciate your consideration of this important request.

Sincerely,

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Executive Director  
NY-BEST



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Interim Executive Director  
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