



MEMORANDUM IN SUPPORT OF

S.7342-A (Parker)

In Relation to amending the real property tax law to provide a property tax abatement for electric energy storage equipment located in New York City

February 2024

The Alliance for Clean Energy New York (ACE NY) supports S.7342 and urges its immediate passage. This bill will amend the real property tax law to add a property tax abatement for electric energy systems storage equipment located in New York City.

The bill will help increase resiliency in New York City through the installation of safe and reliable onsite energy storage technologies. The mass integration of energy storage is also fundamental for achieving a more efficient, flexible and cost-effective electric grid for New York State. Safe and reliable energy storage is fundamental for achieving a more efficient and resilient electricity grid.

Energy storage is an essential technology to achieving the State's climate goals and achieving 70 percent renewable energy by 2030 and a zero-emission grid by 2040, as required by the Climate Leadership and Community Protection Act (CLCPA). New York has recognized the critical need for energy storage on the electric grid and has proposed a new Roadmap for Energy Storage¹ to increase the state's energy storage goal from 3 GW to 6 GW by 2030. Recent studies indicated a need for more than 15 GW of energy storage by 2040.

Proper implementation of this law will especially benefit the greater New York City metropolitan area, as its target for 2025 is to have 500 megawatts of energy storage installed citywide. The benefits of increased energy storage in the City include reducing reliance on fossil fuels, availability of back-up energy, and boosting economic outcomes in environmental justice communities. In the case of a grid-blackout, energy storage allows for essential services, business, and homes to continue operating. Additionally, this bill will reduce the total costs to install storage, will help catalyze energy storage deployment and decrease unit and installation costs through economies of scale and learning curve advances.

The passage of this amendment will help New York become a leader in energy storage and will greatly benefit the energy capacity of New York City. This program is crucial towards creating net-zero emissions in New York and towards helping achieve climate change goals.

For the above reasons, the Alliance for Clean Energy New York supports this legislation and urges its passage. For more information contact Deb Peck Kelleher, Deputy Director, at (c) 518-698-3211. All of ACE NY's memos on legislation are available at <https://www.aceny.org/legislative-actions>.

¹ Proposed New York's 6 GW Energy Storage Roadmap: Policy Options for Continued Growth in Energy Storage, Department of Public Service and NYS Energy Research Development Authority, December 28, 2022. <https://www.nyserda.ny.gov/-/media/Project/Nyserda/Files/Programs/Energy-Storage/ny-6-gw-energy-storage-roadmap.pdf>