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**MEMORANDUM IN SUPPORT OF**  
**S.2509-A / A.3009-A (Part X) - Executive Budget**  
**In Relation to promoting the development of renewable energy**  
**projects, including solar or wind energy systems**

March 2021

The Alliance for Clean Energy New York (ACE NY) supports Part X of the proposed Executive Revenue Budget (S.2509-A/A.3009-A) and strongly urges its inclusion in the State Budget. Part X would establish for wind and solar projects greater than 1 MW a discounted cash flow appraisal model developed by the Department of Taxation and Finance and NYSERDA, with the publishing of an annual discount rate. The Bill would extend the current property tax exemption for wind, solar and farm waste electricity generation for 5 years until 2030, clarify that IDAs can support renewable energy projects, and makes technical corrections to the power generator's required reports to Department of Taxation & Finance.

ACE NY enthusiastically supports Part X as the State seeks to implement the Climate Leadership and Community Protection Act's (CLCPA) ambitious and achievable renewable energy standards. This legislation builds on the Accelerated Renewable Energy Growth and Community Benefit Act signed into law last year to address permitting and transmission bottlenecks. The remaining hurdle for getting renewable energy on-line quickly is the negotiating of property tax agreements, which can take up to two years. The great majority of projects pay taxes to municipalities and school districts through Payments in Lieu of Taxes (PILOT) agreements. This Bill would allow municipalities to continue to choose to tax renewable projects via PILOTs.

For communities that do not want to use a PILOT, there is no standard assessment method. To resolve this, the State should publish a fair and standardized methodology for the assessment of wind and solar projects, while still leaving municipalities the flexibility to negotiate PILOT agreements. Part X would direct the State to provide a standardized assessment method, giving our towns, counties and IDAs a consistent foundation on which to base their taxation decisions.

Part X also includes renewable energy in the list of types of economic development that IDAs can support. To achieve the goals required by the CLCPA, the State's economic development goals should align with its climate goals.

For the above reasons, the Alliance for Clean Energy New York supports this legislation. For more information contact Anne Reynolds, Executive Director, at (c) 518-248-4556, or Deb Peck Kelleher, Director of Policy Analysis & Operations, at (c) 518-698-3211. All of ACE NY's memos on legislation are available at <https://www.aceny.org/legislative-info>.