



## **Memo in Support**

Senate bill 4547 (Parker)/Assembly bill 4954 (Paulin)

The New York Battery and Energy Storage Technology Consortium (NY-BEST), the Alliance for Clean Energy New York (ACENY), Solar Energy Industries Association (SEIA), and the New York Solar Energy Industries Association (NYSEIA) support S.4547 (Parker) /A.4954 (Paulin) which would exempt from state sales and use taxes the retail sale and installation of energy storage equipment, for both residential and commercial uses. Additionally, this legislation would also provide local governments with the authority to exempt energy storage equipment from local sales and use taxes.

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. New York has recognized the critical need for energy storage on the electric grid and has proposed a new Roadmap for Energy Storage 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. Energy storage 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.

However, the cost of residential and commercial energy storage siting and deployment continue to be extremely high. Energy storage technologies are not currently eligible for exemption from state sales and use taxes for residential and commercial installation. However, other similar clean energy technologies, such as residential and commercial solar energy equipment and commercial fuel cells are eligible.

This legislation would ensure that "stand-alone" energy storage projects would be eligible for State sales and use tax exemptions and thereby help to spur deployment of this valuable technology and unleash the benefits of energy storage on the State's electric grid. It would also ensure that clean energy technologies are treated similarly under State tax law, thus creating a level playing field for these technologies.

For the reasons listed above, these organizations strongly support S.4547 / A.4954.

Thank you for your consideration.