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**2021 Joint Legislative Budget Hearing on Transportation
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**TESTIMONY of
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Thank you for the opportunity to provide testimony on the proposed Executive Budget on behalf of the Alliance for Clean Energy New York. The Alliance for Clean Energy New York (ACE NY) is a broad coalition dedicated to promoting clean energy, energy efficiency, a healthy environment, and a strong economy for the Empire State, and is New York's premier advocate for the rapid adoption of renewable energy, energy efficiency technologies and transportation electrification. Our members include renewable energy, energy efficiency and electrified transportation companies, including companies that produce electric vehicles and support electric vehicle charging infrastructure. Our members include many of the companies that employ New Yorkers in the clean energy economy. According to the 2020 Clean Energy Industry Report published by NYSERDA, in 2019 there were 164,000 clean energy jobs. Our goal is to protect and grow these jobs for New Yorkers. You can learn more about ACE NY at www.aceny.org.

On January 19, Governor Cuomo delivered his fiscal 2021-22 budget proposal and speech to the Legislature, which outlined state spending and legislative priorities to rebuild New York in the context of the ongoing COVID-19 pandemic. ACE NY is excited that the Governor's budget presentation highlighted the need to address climate change and promote a green economy to spur economic recovery with \$29 billion in investments allocated to large scale renewable energy projects, port infrastructure to support the offshore wind industry, and green transmission, among others. These investments ensures that the state achieves the ambitious economy-wide greenhouse gas emissions and renewable energy goals of New York's climate law, the Climate Leadership and Community Protection Act (CLCPA).

In New York, the largest source of the pollution that causes global climate change is transportation. Therefore, reducing transportation emissions through electrification is a critical piece of the overall strategy to transition to a clean energy future. Progress in decarbonizing the electricity generation sector -- i.e. by building wind and solar

energy power projects -- will further accelerate emissions reductions from transportation electrification. In light of this, we were happy to hear and support the budget proposal to provide \$20 million in capital assistance to the five largest non-MTA transit systems in the state for the transition to electric buses. This is a nice first step but there are, however, more that can be done to promote electric vehicles (EVs).

To approach the goals of the Climate Leadership and Community Protection Act (CLCPA), New York urgently needs a comprehensive legislative framework that hastens the adoption of EVs and reduces emissions. In addition to the CLCPA goals, which were established by the Legislature in 2018, New York has a goal of getting 850,000 zero-emission vehicles (ZEV) on the road by 2025 and 2 million by 2030. We are, unfortunately, far from achieving that goal.

ACE NY respectfully submits the following legislative proposals that will stimulate market development and investment in EVs and charging infrastructure throughout the state. These bills represent the high priority initiatives supported by the member companies of ACE NY and are primed for passage in the 2021 legislative session:

- **Clean Fuel Standard** - [A.862 Woerner](#) establishes a carbon intensity standard for all transportation fuels, and thereby encourages the gradual switch away from gasoline to electrification. This will reduce carbon dioxide emissions while also achieving air quality and public health benefits particularly in disadvantaged communities. The cap-and-invest program would generate revenues to provide investment and sustainable funding for EVs and charging stations, which increases EV adoption. A similar low clean fuel standard has been utilized successfully in California and Oregon for a number of years. There is no cost to New York State's General Fund from this policy.
- **Allow Direct Sales of Electric Vehicles** – [S.1763 Kaminsky](#) removes the current statewide cap that allows only five EV stores, enabling EV manufacturers that do not have franchised dealerships to sell these vehicles directly New York customers at new retail locations. This change would have no cost to New York State's General Fund and will boost the number of EV retailers in the state. Moreover, the policy will increase local sales tax revenues, create hundreds of new jobs, expand consumer choice, and make electric vehicles more accessible for all New Yorkers.
- **Reform Electric Rates to Support Electric Vehicles** – Legislation such as [S.8210 of 2020 Kennedy/A.9875 of 2020 Cusick](#) would require utilities to establish a new commercial tariff for fast charging. The policy, which will also have no cost to the state's General Fund, would offer customers

flexible, alternative rates making it easier and attractive for New Yorkers, especially fleet operators, to afford and maximize use of their EVs. These new rates will also encourage investment in the deployment of EV fast chargers and increase demand for EVs.

- **Provide Incentives for Electric School Buses** – We also endorse legislation that would provide financial incentives to schools for the purchase of electric school buses, and for charging equipment, and the electricity at schools. This measure would incentivize the purchase of electric buses and offer a sales tax exemption to private transportation companies, and increase the number of years that schools can enter into leases for electric buses. These incentives are designed to accelerate the adoption of electric school buses, which in addition to reducing greenhouse gas emissions and harmful air pollutants, are cheaper to maintain over the long-run.
- **Enact California’s Requirements for Zero-Emission Vehicles.** Legislation such as [S.9008-A of 2020 \(Harckham\)](#)/[A.11087 of 2020 \(Englebright\)](#), would adopt California’s new rule that all in-state sales of new passenger cars and trucks be zero emissions by 2035 and for 100% of medium- and heavy-duty vehicles to be zero-emission vehicles by 2045. For many years, New York State policies have been consistent with California’s zero emission standards and our law should be updated to reflect this recent development.

ACE NY is excited that the Governor’s budget presentation demonstrated the continued commitment to addressing climate change, the importance of increasing the pace of new renewable energy projects, and improving our electrical transmission grid despite the economic impacts of COVID-19. Yet, it is critical that the Legislature act quickly to authorize the suite of policies mentioned above to grow the market and accelerate adoption of EVs by New Yorkers. In addition to spurring the green economy, transportation electrification will achieve the state’s ZEV and emissions reduction goals of the CLCPA. We at ACE NY and our member companies stand ready to support you in implementing measures to meet these ambitious goals and secure a clean, equitable transportation sector future for New York.