



## **2023 Joint Legislative Budget Hearing**

**Environmental Conservation Hearing**

**February 14, 2023**

***New York Battery and Energy Storage Technology Consortium (NY-BEST)***

### **Budget Request**

**NY-BEST requests an exemption from state sales and use taxes, the retail sale and installation of energy storage equipment, for both residential and commercial uses.**

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. Currently, energy storage technologies are not 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. The Department of Tax and Finance issued an advisory opinion in 2009 that to be eligible for state sales and use tax exemptions like solar and fuel cell equipment and installation, energy storage must meet specific narrowly defined technical requirements that effectively make it difficult to impossible to qualify for the exemption. This policy would ensure that clean energy technologies are treated similarly under State tax law, thus creating a level playing field for these technologies. Importantly, this policy 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.

Furthermore, New York has recognized the essential 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. 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 reduces greenhouse gas emissions. However, the cost of residential and commercial storage siting and deployment continue to be extremely high. It is imperative that New Yorkers are incentivized to employ this essential technology by removing cost barriers for all clean energy technologies, including energy storage.

It is an honor to submit State Budget testimony to the Joint Legislative Committees on Environmental Conservation. We look forward to working with you this Session and thank you for your consideration of this request.

**Energy Storage and the Climate Leadership and Community Protection Act (CLCPA)**

New York State has established nation-leading goals for addressing climate change and growing jobs in the clean energy sector. NYS Climate Leadership and Community Protection Act, (CLCPA or Climate Act), enacted in 2019, requires the State to reduce economy-wide greenhouse gas emissions 40 percent by 2030 and 85 percent by 2050 from 1990 levels. The Climate Act also requires 70 percent of the State's electricity come from renewable energy sources by 2030 and that the State achieve a zero-emissions electricity system by 2040. Achieving these requirements will require a transformation of the State's economy, including the building, transportation and electricity sectors and energy storage is an essential technology to achieve this transformation

Energy storage is a vital technology solution for enabling sustainable energy use and to address climate change. The transition to a sustainable energy future requires bold and innovative action and solutions.

### **About NY-BEST**

The New York Battery and Energy Storage Technology (NY-BEST™) Consortium was created in 2010 to position New York State as a global leader in energy storage technology, including applications in transportation, grid storage, and power electronics.

NY-BEST currently has more than 185 members. The Consortium's membership is diverse and includes manufacturers, academic institutions, utilities, technology and materials developers, start-ups, government entities, engineering firms, systems integrators, and end-users. Most of its members are New York State-based entities.

NY-BEST serves as an expert resource to energy storage-related companies and organizations seeking assistance to grow their businesses in New York State. This includes access to financing, research capabilities, potential partners, technology developers, manufacturers, and other private sector and government resources. NY-BEST serves as an important connector in establishing a strong energy storage “ecosystem” encompassing all stages of energy storage product development and use.

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For more information on NY-BEST: <https://ny-best.org/>

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