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Submitted Electronically to: NYPARenewablesConferral@nypa.gov

TO: Justin E. Driscoll, President and CEO
New York Power Authority
123 Main Street
White Plains, NY 10601-3170

Dear President Driscoll:

The New York Battery and Energy Storage Technology Consortium (NY-BEST) is pleased to submit comments in response to the New York Power Authority's (NYPA) 2026 annual conferral process regarding New York State's progress toward the goals of the Climate Leadership and Community Protection Act (CLCPA) and NYPA's role in supporting them.

NY-BEST is a not-for-profit industry trade association with a mission to grow the energy storage industry in New York. We act as a voice of the energy storage industry for more than 180 member organizations on matters related to advanced batteries and energy storage technologies. Our membership is primarily composed of companies involved in the electricity and transportation sectors, including manufacturers, project developers, and operators, along with leading research institutions, universities, government bodies, and utilities.¹

NY-BEST and our members are actively engaged in implementing the State's 6 GW by 2030 Energy Storage Roadmap and are committed to helping New York achieve a reliable, affordable, and modernized electricity grid on the path to 100% clean electricity by 2040.

NY-BEST appreciates NYPA's continued engagement with the energy storage industry through the conferral process, the Renewables Strategic Plan, and its broader work. We commend NYPA for the significant expansion of energy storage opportunities in its Updated Strategic Plan and for its responsiveness to stakeholder feedback in prior years. The comments below reflect input from

¹ NY-BEST comments represent the interests of the organization as a whole and not the views of any single member. Our members have diverse interests and the organization's views are intended to be reflective of the energy storage industry collectively.

NY-BEST members and focus on four areas where we believe NYPA can make the greatest contribution to the State's clean energy goals, as further described below:

- A. Strengthening NYPA's energy storage development model
- B. Replacing NYPA's small natural gas power plants
- C. Deploying long-duration and thermal energy storage
- D. Educating communities on energy storage

1. Please share your thoughts on the State's progress toward CLCPA goals.

While New York is behind on several of the CLCPA's targets, NY-BEST applauds the State's continued efforts to make progress toward them in the face of significant headwinds, including supply chain constraints, rising costs, and shifting federal policy. As electric demand grows and the State's generation fleet ages, maintaining reliability and affordability is more important than ever to achieving New York's decarbonization targets. This makes energy storage especially valuable. Energy storage strengthens grid reliability, reduces the need for costly peak generation and infrastructure upgrades, and enables greater use of renewable resources, all while lowering costs for ratepayers.

The State has taken meaningful steps to support energy storage deployment; NY-BEST commends the State for establishing incentive programs for energy storage at all scales, including residential, retail, and bulk systems, and for advancing regulatory proceedings to enable and incentivize distributed energy resources. These actions have laid a foundation for continued growth.

However, to accelerate progress, the State, industry, and communities must continue working together to overcome the barriers that remain and get New York back on track toward its clean energy goals. NYPA has a unique and important role to play in that effort, as described in our recommendations below.

2. Please share your thoughts on how NYPA can or should support CLCPA.

NYPA is uniquely positioned to support the State's progress toward its CLCPA goals. Its lower cost of capital, tax-exempt status, deep experience developing and operating large-scale infrastructure, and standing as a trusted public institution are significant advantages. NY-BEST believes NYPA can make the greatest impact by applying these strengths to accelerate energy storage deployment, a resource that is central to maintaining reliability and affordability as New York decarbonizes. Our specific recommendations for how NYPA can support the CLCPA are detailed in our response to Question 4.

3. Please share your thoughts on what NYPA is already doing to support CLCPA.

NY-BEST commends NYPA for the meaningful steps it has taken to support energy storage deployment, including expansion of the energy storage projects under consideration in the Updated Strategic Plan. We also appreciate NYPA's designation of distributed storage portfolios to the Renewable Energy Access and Community Help (REACH) program, which will allow revenues from NYPA-contracted energy storage to deliver bill credits directly to low-income ratepayers in disadvantaged communities.

NYPA has also laid important groundwork for partnership with the private sector. Its pursuit of a broad energy storage portfolio demonstrates NYPA's commitment to supporting CLCPA and environmental justice goals. In addition, NYPA has delivered valuable educational programming on the clean energy transition and has been a strong partner to NY-BEST and our members in energy storage outreach, and we look forward to continuing that collaboration.

4. Do you have anything else you would like to share for the record?

NY-BEST offers the following recommendations on how NYPA can maximize its contribution to the State's clean energy, reliability, and affordability goals.

A. Strengthening NYPA's energy storage development model

NY-BEST members have engaged actively with NYPA since it received its expanded authority, responding to its requests for information and qualifications and submitting projects for inclusion in the Renewables Strategic Plan. Members consistently report that NYPA staff have been collaborative and communicative, and the resulting portfolio is substantial: the Updated Strategic Plan includes approximately 1.2 GW of energy storage, including roughly 700 MW of distributed storage across three portfolios and a 500 MW long-duration storage project.

However, it is not clear if any of these projects have progressed beyond inclusion in the Plan to a completed transaction with NYPA. We offer the following recommendations to help this model succeed:

- **Share NYPA's approach to energy storage acquisition and development, and close initial transactions.** It is unclear how much of the Plan's energy storage capacity NYPA expects to acquire, the timeline of such acquisitions, and how NYPA is weighing the acquisition of privately developed projects against its own greenfield development. Greater transparency on how NYPA approaches these decisions would give developers and investors clarity on NYPA's intentions. NY-BEST encourages NYPA to focus its development activity where it complements the private market,

such as acquiring projects that may not otherwise proceed. Further, NY-BEST is not aware of any energy storage projects included in NYPA's Strategic Plans that NYPA has acquired or constructed to date; completing the first storage acquisitions and moving those projects toward commercial operation would demonstrate that the model works in practice and give the market confidence to bring more projects to NYPA.

- **Offer a rolling intake pathway for developmentally mature projects.** Because NYPA can only transact on projects that have gone through its annual Plan cycle and Board approval, developers must submit projects well before they expect to sell them. When projects do mature, NYPA's timelines may not align with typical timelines developers follow when selling projects through standard market processes. Allowing developers to bring mature projects to NYPA on a rolling basis, alongside the annual Plan cycle, would better align with market timelines and enable NYPA to act more quickly on projects when they are mature.
- **Maintain flexible ownership structures and clarify how co-ownership would work for storage.** NYPA's majority ownership requirement means co-ownership leaves developers with a minority stake, which some companies are not able to accept given the added complexity and risk of shared decision-making on complex energy storage operations. For these developers, full acquisition or build-transfer at an agreed milestone aligns best with how they sell projects. Other members value co-ownership because it keeps the developer invested in project performance and promotes accountability. NY-BEST encourages NYPA to continue to offer both pathways, but to clarify how co-ownership would work for energy storage projects, including governance rights, operating cost decisions, and protections for minority owners.
- **Demonstrate the financial value of partnering with NYPA.** NYPA's lower cost of capital, tax-exempt status, and ability to accept lower returns than private investors can help projects proceed that might not otherwise be built. However, some members report that these benefits have not yet translated into clear improvements in project economics, and NYPA has acknowledged that some benefits are partially offset by other tax considerations. Greater clarity on how these advantages benefit partners, such as through competitive acquisition pricing or more favorable terms, would help developers understand the value of bringing projects to NYPA.
- **Extend NYPA's offtake role to energy storage.** The Updated Strategic Plan describes a "NYPA Enabled" model that uses the purchasing power of NYPA's governmental customers to provide contracted revenue to privately owned renewable projects. NY-BEST encourages NYPA to apply this approach to energy storage. Offtake arrangements tailored to storage, such as tolling agreements or capacity contracts, could unlock projects without requiring NYPA ownership,

thereby expanding NYPA's impact on storage deployment beyond the projects it can finance directly.

- **Provide early clarity on PILOT and host community benefit approaches.** Because NYPA is exempt from real estate taxes, host communities may be concerned about losing the tax revenue or PILOT payments they would receive from a privately owned project. NYPA currently evaluates PILOTs and host community benefit agreements on a case-by-case basis; however, a more standardized approach, as local government associations have also requested, would help developers engage on this issue with host communities earlier in development and reduce project risk.
- **Solicit storage development on public land.** NY-BEST supports NYPA's efforts to identify suitable sites on land it owns and encourages NYPA to extend this work to other State-owned land, making sites available for energy storage development through competitive solicitations, particularly in load-constrained areas. Where the State serves as the Authority Having Jurisdiction, these sites may also offer a more streamlined and predictable permitting pathway, helping projects avoid the delays and uncertainty associated with local moratoria.

B. Replacing NYPA's small natural gas power plants

NY-BEST strongly supports NYPA's commitment to transitioning its small natural gas power plants away from fossil fuel generation and replacing them with clean resources, including energy storage. These plants are located in or near disadvantaged communities that have long borne a disproportionate share of air pollution and its associated health impacts, including elevated rates of asthma and other respiratory illness. Replacing them with zero-emission resources is an important opportunity to improve air quality and public health for the residents of these communities.

NYPA's *Small Natural Gas Power Plant Transition Plan* first evaluates whether deactivating each plant would cause more than a de minimis increase in emissions in a disadvantaged community, before any reliability review takes place. NYPA's preliminary analysis found that it would, because older, higher-emitting units would run more often to fill the gap. That result reflects a scenario in which the plants are removed with nothing added in their place. When energy storage replaces the plants, it can serve the same peak needs and displace those older units, while charging during hours when cleaner resources are available. Evaluating deactivation in isolation predictably shows an emissions increase and risks keeping the plants online indefinitely, when a scenario that includes energy storage replacement could avoid increased emissions. NY-BEST offers the following recommendations to ensure energy storage is fully considered as a replacement pathway:

- *Model energy storage replacement scenarios in the emissions analysis.* The statute directs NYPA to consider whether “existing or proposed replacement generation resources” would increase emissions in a disadvantaged community, which supports evaluating deactivation alongside the replacement resources that would take the plants’ place. NY-BEST recommends that NYPA’s ongoing studies with NYISO compare continued operation of each plant against a scenario in which energy storage replaces it, and assess cumulative emissions over time. A short-term increase in emissions during the transition period may be outweighed by lower cumulative emissions over the life of the replacement resources.
- *Account for energy storage deployed beyond the plant sites.* Energy storage can address the needs that keep the plants online without being located at the plant sites or owned by NYPA. In addition to more than 100 MW of distributed storage already operating in Con Edison’s territory,² nearly 1 GW is in late-stage development, having paid 100% of utility interconnection costs and contracted with NYSERDA for retail storage incentives.³ An independent study conducted by PowerGEM for NY-BEST, using the same modeling methodology as Con Edison, found that 165 MW of standalone four-hour storage in 2032, growing to approximately 730 MW by 2036, would fully resolve the New York City transmission reliability need identified by Con Edison, while also reducing Zone J load payments and emissions.⁴ The study found that storage could meet the need whether connected at the transmission level or deployed as an aggregation of distributed projects. Con Edison has since proposed battery storage as the primary solution to the City’s transmission security needs in its Reliability Contingency Plan,⁵ and its updated reliability analysis attributes a deferral and reduction of the need to storage deployment.⁶ NYPA’s emissions and reliability analyses should account for this storage, along with additional storage that can be deployed through State and utility programs, when evaluating the conditions for deactivating each plant.

C. Deploying long-duration and thermal energy storage

Long-duration energy storage will be essential to maintaining reliability on a grid with growing demand and increasing reliance on variable resources. The State’s *Energy Storage Roadmap* identifies a need for approximately 4 GW of storage with eight or more hours of

² Con Edison, Standardized Interconnection Requirements (SIR) Inventory data through August 15, 2026, available [here](#).

³ NYSERDA, Retail Incentive Dashboard, accessed September 2026, available [here](#).

⁴ PowerGEM, *Ability of Energy Storage to Address Transmission Reliability Needs in New York City*, prepared for NY-BEST, March 26, 2026, available [here](#).

⁵ Case 25-E-0764, Proceeding on Motion of the Commission to Address New York City Reliability Needs, Con Edison, *New York City Reliability Contingency Plan*, July 17, 2026, p.2, p.19-22.

⁶ Case 25-E-0764, Proceeding on Motion of the Commission to Address New York City Reliability Needs, Con Edison, *July 2026 Reliability Needs Report*, July 17, 2026, p.1, p.7.

duration by 2040, with at least 1.6 GW needed by 2035.⁷ NYPA is especially well suited to help meet this need. It has decades of experience developing and operating large, long-lived infrastructure, such as the Blenheim-Gilboa Pumped Storage Power Project, and its mission is directly aligned with building the resources a clean and reliable grid requires.

While many long-duration technologies are commercially ready, they present different financing considerations compared to short-duration 4-hour storage. Long-duration resources typically require larger capital commitments and longer development timelines, with different stage gates and capital commitment timing. As a result, the level of contractual risk that may be manageable for short-duration assets is often not acceptable to investors financing long-duration projects, which require greater flexibility to reduce risk and strengthen financeability. NYPA's low cost of capital, strong balance sheet, and public mission make it an ideal partner to provide that flexibility and help bring these projects to commercial operation in New York. NY-BEST commends NYPA for including a large-scale long-duration storage project in its Updated Strategic Plan and offers the following recommendations:

- *Actively pursue ownership of and partnership on long-duration storage projects.* NYPA should prioritize utility-scale long-duration storage in future iterations of its Strategic Plan, including technologies that are commercially proven elsewhere but not yet deployed in New York. Early deployment would build operating experience and market confidence ahead of the State's longer-term needs.
- *Tailor agreements to long-duration projects.* Partnership and acquisition agreements should reflect the distinct financing considerations of long-duration storage through stage-gated development, reasonable commercial operation date extensions, appropriate milestones, and balanced risk allocation.
- *Recognize long-duration storage as dispatchable, emissions-free capacity.* Some long-duration technologies can provide extended discharge and grid services traditionally associated with thermal generation, such as inertia and voltage support. NYPA should consider these capabilities in its resource and retirement planning, including for its small natural gas power plants and other fossil assets it plans to decarbonize by 2035.
- *Advance thermal energy storage at public facilities.* Thermal energy storage, like other forms of storage, can provide grid flexibility through load shifting and demand response. Systems that can produce steam in addition to hot water also have the potential to fully replace existing natural gas boiler systems, with particularly

⁷ Case 18-E-0130, In the Matter of Energy Storage Deployment Program, New York State Department of Public Service and New York State Energy Research and Development Authority, *New York's 6 GW Energy Storage Roadmap: Policy Options for Continued Growth in Energy Storage*, originally filed Dec. 28, 2022; updated Mar. 15, 2024, p.73.

significant impact in larger networks such as college campuses and municipal district heating systems. Installations of representative technologies have demonstrated annual emissions reductions of up to 60 to 115 tons of CO₂ for every MWh deployed.⁸ NYPA should advance opportunities to deploy thermal storage at public facilities.

D. Educating communities on energy storage

Public perception has become one of the most significant barriers to energy storage deployment in New York. Concerns about safety, often driven by misinformation, have contributed to local moratoria and opposition to projects across the State, delaying resources needed for reliability and affordability. In last year's conferral process, community and environmental justice organizations noted that concerns about battery storage could affect the transition of NYPA's small natural gas power plants, and urged NYPA to help address misinformation.

NYPA is exceptionally well positioned to lead on this issue. As a public entity with a long-standing reputation as a trusted community partner, NYPA can speak to communities with strong credibility. NYPA's Environmental Justice team has already delivered effective clean energy education programming, and NY-BEST has valued our collaboration with that team on energy storage outreach. NY-BEST offers the following recommendations:

- *Establish an energy storage education center.* NYPA should consider developing a purpose-built education center at an operating energy storage facility, where students, local officials, first responders, and community members could see energy storage firsthand, and learn how it works and how regulations ensure safety. NYPA's museum and visitor center at the Niagara Power Project has long engaged the public in learning about electricity and hydropower through interactive exhibits, and a similar facility dedicated to energy storage would give NYPA a lasting platform to educate New Yorkers about the technology and counter misinformation.
- *Lead public education on energy storage safety and benefits.* NYPA should continue to develop and share accessible, multilingual educational materials on how energy storage works, the safety standards and codes that govern it, and the reliability, affordability, and air quality benefits it provides. Prioritizing communities in areas considering local restrictions on energy storage would help build understanding where it is needed most.
- *Promoting workforce development for the energy storage industry:* NYPA has a strong track record of investing in clean energy workforce development. NYPA should continue this work in the energy storage industry and serve as a catalyst for youth

⁸ See Elstor Oy (thermal energy storage provider), *Customer Case Studies*, available [here](#).

engagement, apprenticeships, and strategic partnerships that support training and the creation of good-paying jobs.

NY-BEST welcomes the opportunity to continue and expand our partnership with NYPA on joint outreach and educational programming.

CONCLUSION

NY-BEST appreciates the opportunity to participate in NYPA's 2026 conferral process and commends NYPA for its continued commitment to advancing the State's clean energy goals. Energy storage is essential to building a reliable, affordable, and clean electric grid, and NYPA's financial strength, infrastructure expertise, and public trust position it to make a significant contribution to its deployment. By strengthening its energy storage development model, fully considering storage as a replacement for its small natural gas power plants, leading on long-duration and thermal storage, and serving as a trusted voice on energy storage in communities across the State, NYPA can help accelerate New York's progress toward its CLCPA goals. NY-BEST looks forward to continuing to work with NYPA on these efforts.

If you have any questions about these comments or need additional information, please contact us at 518-694-8474 or by email at info@ny-best.org. Thank you.

Respectfully submitted,



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