



MEMORANDUM IN STRONG SUPPORT OF

S.1527 (Parker) / A.313 (Paulin)

In relation to a sales tax exemption for energy storage

February 9, 2026

The coalition of organizations listed below strongly support S.1527/A.313. This bill would establish a sales tax exemption for commercial energy storage equipment from state sales and use taxes, and would provide local governments with the authority to exempt energy storage from local sales and use taxes. This bill would support energy affordability while improving air quality, particularly in Disadvantaged Communities.

Energy storage is critical to achieving the reliable, affordable, and sustainable electricity grid that New York needs. It can help meet grid reliability needs amid growing electricity demand, cut costs by mitigating the need for costly traditional infrastructure upgrades, and dramatically increase the grid's ability to onboard new renewable energy. The State has set a 6 gigawatts (GW) of energy storage target by 2030, but with approximately 0.5 GW deployed and only five years left, we must accelerate deployment. Passing this bill will:

1. Ensure parity between technologies. NYS already offers a Sales Tax Exemption to certain fossil fuel equipment, solar panels, wind turbines, and fuel cells, but commercial energy storage does not receive the same treatment.
2. Cut red tape. The majority of energy storage systems apply for and receive discretionary Sales Tax Exemptions from local Industrial Development Authorities (IDAs). However, obtaining a discretionary exemption is a time- and resource-intensive process for both developers and IDAs, resulting in a loss of 25-50% of the exemption benefit (due to project fees, legal costs, and staff time) and a significant extension of project development timelines.
3. Reduce costs to ratepayers. NYSERDA's analysis in their *6 GW x 2030 Energy Storage Roadmap* indicates that meeting the 6 GW target will save \$2 billion in energy system costs by increasing the efficiency of the grid. Further, increasing commercial energy storage will directly reduce the bills of low-income customers under the Statewide Solar for All (SSFA) program. Finally, providing an as-of-right Sales Tax Exemption for commercial energy storage systems will reduce project costs, allowing State incentive dollars to be spread across more projects, driving down the cost to ratepayers of the NYSERDA incentive program overall.
4. Align with New York's vision for a reliable and sustainable grid. Battery systems increase grid reliability while improving air quality, particularly in Disadvantaged Communities, by reducing reliance on fossil fuels.

For the reasons listed above, and because common sense measures like this can reduce electricity bills, we strongly support S.1527 (Parker) / A.313 (Paulin). For more information contact Claudia Villar-Leeman, Senior Director at NY-BEST at cvillarleeman@ny-best.org.

Coalition of Organizations in Support:

ADVANCED ENERGY UNITED

ALLIANCE FOR CLEAN ENERGY NEW YORK

AMERICAN CLEAN POWER

BUSINESS COUNCIL OF WESTCHESTER

CLEAN ENERGY GROUP

ENVIRONMENTAL ADVOCATES NEW YORK

ENVIRONMENTAL DEFENSE FUND

INDEPENDENT POWER PRODUCERS OF NEW YORK

NATURAL RESOURCES DEFENSE COUNCIL

NETWORK FOR A SUSTAINABLE TOMORROW

NEW YORK BATTERY AND ENERGY STORAGE TECHNOLOGY CONSORTIUM

NEW YORK CITY ENVIRONMENTAL JUSTICE ALLIANCE

NEW YORK LAWYERS FOR THE PUBLIC INTEREST

NEW YORK LEAGUE OF CONSERVATION VOTERS

NEW YORK STATE LABORERS' ORGANIZING FUND

NEW YORKERS FOR CLEAN POWER

SIERRA CLUB

THE POINT

WE ACT FOR ENVIRONMENTAL JUSTICE