



MEMORANDUM IN STRONG SUPPORT OF S.1527A (Parker) / A.313A (Paulin)

In relation to a sales tax exemption for energy storage

March 5, 2026

The coalition of organizations listed below strongly support S.1527A/A.313A. This bill would: establish a sales tax exemption for commercial energy storage equipment from state sales and use taxes; provide local governments with the authority to exempt energy storage from local sales and use taxes; and establish labor protections for energy storage under New York State Law. This bill would support energy affordability while creating good jobs, improving air quality, and enable a more reliable electricity grid.

Energy storage is critical to achieving the reliable, affordable, and sustainable electricity grid that New York needs. 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:

- Establish strong labor standards for energy storage projects, including prevailing wage requirements under Labor Law 224-d, and help create hundreds of construction jobs across the State.
- Ensure parity between technologies by bringing energy storage in line with technologies that already receive a Sales Tax Exemption, including certain fossil fuel equipment, solar, wind, and fuel cells.
- Cut red tape. The majority of energy storage systems apply for and receive discretionary Sales Tax Exemptions from local Industrial Development Authorities (IDAs), a time- and resource-intensive process that results 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.
- Reduce costs to ratepayers by reducing project costs, allowing State incentive dollars to be spread across more projects and driving down the cost of the NYSERDA incentive program overall. Further, NYSERDA estimates that meeting the 6 GW target will save \$2 billion in energy system costs by increasing the efficiency of the grid. In addition, commercial energy storage projects will directly reduce the bills of low-income customers under the Statewide Solar for All (SSFA) program.

For the reasons listed above, and because common sense measures like this can reduce electricity bills, we strongly support the inclusion of S.1527A (Parker) / A.313A (Paulin) in the one house budget proposals, and subsequently the enacted budget. Doing so will spur economic development, create good jobs and assist the State in reaching a clean energy future. 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