Explanation:
In 2019, New York State passed the Climate Leadership and Community Protection Act ("the CLCPA"). In addition to its bold renewable energy mandates, the CLCPA requires at least three gigawatts of energy storage by 2030.

This legislation creates a sales tax exemption for energy storage, and allows for municipalities to exclude their jurisdiction from this tax exemption if they choose.

Energy storage enhances our electric grid resilience and flexibility while allowing us to use intermittent renewable energy sources like wind and solar when the sun isn’t shining, and the wind isn’t blowing. In order to scale up renewable power on the timeline required of the state by law, we need to rapidly scale energy storage capacity.

While hardware costs are declining, the upfront costs of deploying and siting energy storage are still too high to expand to the level and speed we need it to now. This bill will help reduce the cost of energy storage projects by exempting projects from state taxes like that of solar energy. The Public Service Commission's Energy Storage Order authorizes the state Energy Research and Development Authority (NYSERDA) to implement new incentive programs for energy storage and encourages addressing cost barriers.

Summary:
This bill amends section 1115 of the tax law by adding subdivisions ll and mm to establish a sales tax exemption for energy storage and amends section 1210 of the tax law to allow local governments to excuse their localities from this sales tax exemption.