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GOVERNOR KATHY HOCHUL

**GOVERNOR HOCHUL ANNOUNCES NEW FRAMEWORK TO ACHIEVE NATION-LEADING SIX GIGAWATTS OF ENERGY STORAGE BY 2030**

***Comprehensive Roadmap Proposes to Expand State's Successful Energy Storage Programs to Unlock the Rapid Growth of Renewables and Bolster Grid Reliability and Customer Resilience***

***Storage Deployments Expected to Reduce Projected Future Statewide Electric System Costs by Nearly \$2 Billion if Approved***

***Supports the Climate Leadership and Community Protection Act Goals to Generate 70 Percent of State's Electricity from Renewables by 2030 and 100 Percent Zero-Emission Electricity by 2040***

Governor Kathy Hochul today announced a new framework for the State to achieve a nation-leading six gigawatts of energy storage by 2030, which represents at least 20 percent of the peak electricity load of New York State. The roadmap, submitted by the New York State Energy Research and Development Authority and the New York State Department of Public Service to the Public Service Commission for consideration, proposes a comprehensive set of recommendations to expand New York's energy storage programs to cost-effectively unlock the rapid growth of renewable energy across the state and bolster grid reliability and customer resilience. If approved, the roadmap will support a buildout of storage deployments estimated to reduce projected future statewide electric system costs by nearly \$2 billion, in addition to further benefits in the form of improved public health because of reduced exposure to harmful fossil fuel pollutants. Today's announcement supports the Climate Leadership and Community Protection Act goals to generate 70 percent of the state's electricity from renewable sources by 2030 and 100 percent zero-emission electricity by 2040.

"Storing clean, renewable energy and delivering it where and when it is needed is one of the most critical challenges we must overcome to reduce statewide emissions, especially from traditional fossil fuel peaker plants," **Governor Hochul said.** "This roadmap will serve as a model for other states to follow by maximizing the use of renewable energy while enabling a reliable and resilient transformation of the power grid."

NYSERDA and DPS carefully assessed potential market reforms and cost-effective procurement mechanisms to achieve six gigawatts, and identified research and development needs to accelerate technology innovation, particularly for long-duration storage. The agencies also considered approaches to energy storage development in a way that advances the elimination of the state's most polluting fossil fuel power plants, as proposed by Governor Hochul in her 2022 State of the State address.

This roadmap proposes the implementation of NYSERDA-led programs towards procuring an additional 4.7 gigawatts of new storage projects across the bulk (large-scale), retail (community, commercial and industrial), and residential energy storage sectors in New York State. These future procurements, combined with the 1.3 gigawatts of existing energy storage already under contract with the State and moving towards commercial operation, will allow the State to achieve the six-gigawatt goal by 2030.

**Doreen M. Harris, President and CEO, NYSERDA said,** "Accelerating the adoption of energy storage across the state will allow more wind and solar energy to be integrated into our electric grid, while improving air quality for many communities historically impacted by fossil fuel-generated pollution. Building on New York's progress under Governor Hochul's leadership, this roadmap will provide a pathway for the industry to partner with us to bring forward the next wave of projects that will help New Yorkers realize the benefits of this important technology."

**Department of Public Service CEO Rory M. Christian said,** "Governor Hochul is a key supporter of energy storage development in New York State. The framework that is being proposed provides New York with the resources it needs to speed our transition to a clean-energy economy and meet our critically important climate goals."

The roadmap proposes:

1. 3,000 megawatts of new bulk storage, enough to power approximately one million homes for up to four hours, to be procured through a new competitive Index Storage Credit mechanism, which is anticipated to provide long-term certainty to projects while maximizing savings for consumers;
2. 1,500 megawatts of new retail storage, enough to power approximately 500,000 homes for up to four hours, and 200 megawatts of new residential storage, enough to power 120,000 homes for up to two hours, to be supported through an expansion of NYSERDA's existing region-specific block incentive programs;
3. Utilization of at least 35 percent of program funding to support projects that deliver benefits to Disadvantaged Communities (DACs) and that target fossil fuel peaker plant emissions reductions, with program carve-outs for projects sited in the downstate region, given its high concentration of DACs and peaker plants;
4. Requiring electric utilities to study the potential of high-value energy storage projects towards providing cost-effective transmission and distribution services not currently available through existing markets;
5. A continued prioritization by existing programs on investing in research and development related to reliable long-duration energy storage technologies; and
6. Payment of prevailing wage as a programmatic requirement for energy storage projects with a capacity of one megawatt and above, demonstrating the state's continued commitment to driving family-sustaining jobs in clean energy.

Expanding the State's energy storage goal is expected to have an average electricity bill impact for New York customers of less than half a percent, or approximately \$0.46 per month. The Roadmap is available for public comment on the Department of Public Service's [website](#), with a subsequent decision-making expected in 2023.

Energy storage plays a critical role in supporting New York's zero-emission electric grid by enabling the integration of large quantities of renewable energy, helping to smooth generation, reduce curtailment, and shift renewable generation to where and when it is needed most. As of November 2022, New York has awarded over \$500 million to support approximately 130 megawatts of operating energy storage in the state. There are more than 1,300 megawatts of additional energy storage under contract with the State and moving towards commercial operation. As New York electrifies buildings, transportation and industrial end uses, accelerating energy storage deployment will provide a flexible solution to help meet these additional demands on the grid and support the retirement of downstate fossil fuel generators near their end of life.

**Dr. William Acker, Executive Director, NY-BEST said,** "The new Energy Storage Roadmap released today recognizes the critical role for energy storage in meeting our climate goals and enabling an emissions-free electric grid and puts New York on a path to deploying 6 GW of energy storage by 2030, reinforcing New York's position as a global leader in energy storage and growing clean energy jobs in the state. NY-BEST congratulates NYSERDA and DPS on the comprehensive and thoughtful Roadmap and we look forward to working with our members and State partners to unleash the many benefits of energy storage on the electric grid."

**Dr. M. Stanley Whittingham, Distinguished Professor at Binghamton University and Nobel Laureate in Chemistry for his development of lithium-ion batteries, said,** "The new Energy Storage Roadmap released today will further bolster New York State as a major hub for the energy storage industry. From new product development and innovation to commercialization, manufacturing and market deployment for energy storage, New York has developed a robust ecosystem to grow this transformative industry."

**Kyle Rabin of the Alliance for Clean Energy New York said,** "New York's nascent energy storage industry must play a vital role in New York's clean energy transition, and we welcome this proposal for supporting industry growth. We look forward to working with New York's decision-makers as they refine and finalize the Energy Storage 2.0 Roadmap and turn it into on-the-ground programs to get battery storage projects built. We applaud Governor Hochul for first setting the 6-gigawatt storage goal and now proposing the roadmap for getting there."

**Gary LaBarbera, President of The New York State Building and Construction Trades Council said,** "Energy storage is critical to New York's clean energy future, as it makes renewable sources such as wind and solar energy more reliable and dispatchable where they are needed and is yet another sector of green infrastructure that will create thousands of good paying union jobs for our state's hard-working people. The responsible development of energy storage must not only support the state's standard-setting clean energy goals, but also provide the tradesmen and tradeswomen of the unionized construction industry sustainable and fulfilling pathways to a middle-class career with benefits, including the payment of prevailing wage. We commend NYSERDA for

recognizing these key factors and spearheading projects and initiatives that create opportunity and stability for our members, who are fundamental in New York's leadership in the clean energy space."

**Julie Tighe, President of the New York League of Conservation Voters** said, "If New York is to meet its nation-leading climate goals, we will need more clean energy flowing to our buildings, our transportation, and our homes, and a critical part of that is ensuring we have the necessary storage capacity in place. NYLCV strongly supports Governor Hochul's updated target of 6 GW of storage by 2030, as well as New York's 2022 Energy Storage Map and its multi-front approach to reaching this new target in a way that is both efficient and environmentally just, and with a commitment to providing prevailing-wage jobs to get it done."

### **New York State's Nation-Leading Climate Plan**

New York State's nation-leading climate agenda is the most aggressive climate and clean energy initiative in the nation, calling for an orderly and just transition to clean energy that creates jobs and continues fostering a green economy as New York State recovers from the COVID-19 pandemic. Enshrined into law through the Climate Leadership and Community Protection Act, New York is on a path to achieve its mandated goal of a zero-emission electricity sector by 2040, including 70 percent renewable energy generation by 2030, and to reach economy wide carbon neutrality. It builds on New York's unprecedented investments to ramp-up clean energy including over \$35 billion in 120 large-scale renewable and transmission projects across the state, \$6.8 billion to reduce buildings emissions, \$1.8 billion to scale up solar, more than \$1 billion for clean transportation initiatives, and over \$1.6 billion in NY Green Bank commitments. Combined, these investments are supporting more than 165,000 jobs in New York's clean energy sector in 2021, a 2,100 percent growth in the distributed solar sector since 2011 and a commitment to develop 9,000 megawatts of offshore wind by 2035. Under the Climate Act, New York will build on this progress and reduce greenhouse gas emissions by 85 percent from 1990 levels by 2050, while ensuring that at least 35 percent with a goal of 40 percent of the benefits of clean energy investments are directed to disadvantaged communities, and advance progress towards the state's 2025 energy efficiency target of reducing on-site energy consumption by 185 trillion BTUs of end-use energy savings.

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