

# NEW YORK SUPPORTS ENERGY STORAGE EFFORTS WITH \$280 MILLION ALLOCATED BY NEW YORK STATE FOR ENERGY STORAGE PROJECTS

*Hodgson Russ Renewable Energy Alert*  
May 6, 2019

Carrying through on a promise to not merely support energy storage, but to place New York as a global leader, Governor Andrew M. Cuomo announced the allocation of \$280 million dedicated to energy storage projects. While New York has largely employed market-based approaches in energy transition efforts, this funding is intended to act as a financial incentive bridge until the New York Independent System Operator's market participation structures come on line in the next decade.

Energy storage is a crucial component in the State's efforts to achieve a 3,000 megawatt energy storage deployment by 2030. This goal is part and parcel of the governor's very aggressive goals which mandate that New York's power be 100% clean and carbon free by 2040 under the State's Green New Deal.

According to the New York State Energy Research and Development Authority ("NYSERDA"), "energy storage enhances the efficiency of the electric grid by capturing excess power from wind and solar energy sources and storing that excess power in industrial-sized batteries for later use. Importantly, energy storage will enable these resources to meet periods of peak demand."

Funded by utility bill surcharges that have been collected but not yet allocated, the \$280 million is part of the State's \$400 million commitment to reach a 3,000 megawatt energy storage goal. This funding is allocated into 2 categories: "\$150 million dollars for bulk storage projects over that primarily provide wholesale market energy and distribution services; and \$130 million for customer sited retail storage projects below 5 megawatts that can be installed alone or paired with onsite generation."

Those interested in pursuing this funding are required to submit an online application. Upon approval, NYSERDA will then issue an award letter and contract. Funds will be disbursed *after* the project is completed.

NYSERDA is aggressively pursuing the State's energy goals by dedicating even more funding towards energy storage. It has allocated another \$70 million towards "opportunities that have the greatest potential to support a self-sustaining storage

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market.” For retail and bulk storage projects located on Long Island, an additional \$53 million in Regional Greenhouse Gas Initiative funds are to be made available later this year.

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