

For Immediate Release

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ACE NY Statements on Governor Kathy Hochul's 2022 NY State of the State Address

ENERGY EFFICIENCY, ENERGY STORAGE, OFFSHORE WIND INVESTMENTS, & ELECTRIC SCHOOL BUS POLICIES AMONG HIGHLIGHTS

January 5, 2022, Albany, NY – In response to Governor Kathy Hochul's 2022 State of the State Address yesterday, the Alliance for Clean Energy New York has the following statements:

Anne Reynolds, Executive Director of the Alliance for Clean Energy New York stated, "Just one week after the release of NY's draft Climate Action Plan, Governor Hochul is moving on important critical pieces of the plan, such as promoting electric school buses, addressing the need for battery storage, investing in projects to grow the offshore wind industry, and building electrification. This quick action shows leadership and is what New York needs to jumpstart our economy and the clean energy transition."

Fred Zalcmán, Director of the New York Offshore Wind Alliance stated, "We applaud the forward-thinking offshore wind energy investments outlined by New York Governor Kathy Hochul. By doubling down on necessary port and harbor investment for project staging, and manufacturing of cutting-edge technology to further project development, the state will secure its rightful place as the center of gravity for the offshore wind industry for some time to come."

Deb Peck Kelleher, Director of Policy Analysis and Operations at Alliance for Clean Energy NY stated, "We are especially happy for the Governor's strong support for energy efficiency, building decarbonization and weatherization. The Clean Green Schools and the electric school bus initiatives show a strong commitment to reducing our State's climate emissions and protecting our children's health."

Clean energy highlights from the 2022 NY State of the State Address are listed below.

Clean Energy Highlights from Governor Kathy Hochul's 2022 State of the State

Offshore Wind – The Governor commits to "Invest \$500 Million in Critical Offshore Wind Infrastructure," "Procure Enough Wind Energy to Power at Least 1.5 Million Homes" (2GW "expected" from next RFP), "Initiate Planning for an Offshore Wind Transmission Network" (New York State Cable Corridor Study); and "Launch the Offshore Wind Master Plan 2.0 Deep

Water”. ACE NY had requested additional port funding, so this is great news, as is the commitment to a significant offshore wind solicitation in 2022. In the section on phasing out fossil fuel plants, the book also states, “Governor Hochul is directing NYSERDA in its 2022 offshore wind procurement to provide additional scoring credit for projects that propose to repurpose existing downstate fossil-based electric generation infrastructure and utilize energy storage to enhance future system reliability.”

Energy Storage – Governor Hochul directs agencies to update New York State’s Energy Storage Roadmap to double deployment, reaching at least 6 gigawatts of energy storage by 2030, “backed by needed market reforms and cost-effective procurement mechanisms to capture the full benefits of energy storage.” This was a direct request from ACE NY which we expect will result in a new PSC proceeding on energy storage.

Energy Efficiency - The State of the State included proposals on building decarbonization, including electrifying two million homes by 2030, stronger building codes including no fossil fuel in new construction by 2027, increasing appliance efficiency standards, large building benchmarking, and starting an equitable natural gas phase-out. The Governor also proposed to expand the Clean Green School pilot program to all disadvantaged school buildings and to create 3 pilot smart grids at NYS buildings. The book explicitly mentions proposing legislation to ensure that all new building construction is zero-emissions by 2027, as well as other enhancements to building codes and appliance efficiency standards. ACE NY has supported this legislation in the past and will continue to in 2022. It represents a critical foundation of the climate Draft Scoping Plan.

Transportation - In addition to the \$175 million in federal funds, agencies are directed to streamline charging station installation process, work with regional transit authorities to leverage private financing for EV bus purchases, create a pilot fleet program at the Hunt Point Food Market, and modify the New York Truck Voucher Incentive Program to include only zero-emissions battery and green hydrogen fuel cell powered vehicles as part of the school bus electrification program. The governor committed to electrifying the State’s light duty fleet by 2035. As mentioned below, her electric school bus proposal appears to have most of the elements ACE NY has been advocating for.

Green Hydrogen – Governor Hochul directs agencies to make NY a Green Hydrogen Hub, “advancing the adoption of this promising technology and competing for nearly \$10 billion in federal funding for green hydrogen research and development under the Infrastructure Investment and Jobs Act.” The book outlines other elements of a green hydrogen policy, including developing a regulatory framework, demonstrating a green hydrogen microgrid, and providing \$27M in funding.

Distributed Solar - Reiterates that the recently proposed Solar Roadmap to achieve solar target of 10 gigawatts by 2030 lowers the threshold to solar projects to 1 megawatt for the prevailing wage requirement.

Harden Infrastructure and Improve Reliability for Emergency Services Statewide – NYPA will pursue installations of solar, storage, backup generators, and energy-efficiency measures — at a minimum of three sites; complete 6 solar installations, retrofit 100 police precincts with LED lighting, and demonstrate resiliency planning at five first-responder facilities.

Electric School Buses - The Governor will propose legislation to require that, by 2027, all new school bus purchases will be zero-emissions, and by 2035, all school buses on the road will be zero-emissions. This legislation will ensure that the State provides school aid toward installing electric bus infrastructure, including charging stations, and purchasing or leasing electric buses. Additionally, this legislation will enable school districts to contract for buses for longer than the current five-year limitation, which will expand the ability of school districts to meet this goal. Funding for these activities will come, at least in part, from the federal Infrastructure Investment and Jobs Act, through the EPA.

Clean Water, Clean Air and Green Jobs Environmental Bond Act– While not directly a clean energy issue, a cornerstone of the Governor’s 2022 energy and environmental agenda is a \$1 billion increase to the “Clean Water, Clean Air and Green Jobs Environmental Bond Act,” which will bring its total to \$4 billion. The Bond Act will be on the ballot in November 2022.

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About the New York Offshore Wind Alliance: The New York Offshore Wind Alliance (NYOWA) is a diverse coalition of organizations with a shared interest in promoting the responsible development of offshore wind power for New York. NYOWA is a new project of the Alliance for Clean Energy New York (ACE NY). www.aceny.org/NYOWA