

2026 Conferral Process



Comments submitted by the
New York State Association of Counties
to the
New York State Power Authority

September 25, 2026

On behalf of the New York State Association of Counties (NYSAC), we appreciate the opportunity to participate in the New York State Power Authority's (NYPA) 2026 Conferral Process and thank you for your continued commitment to soliciting and incorporating local government input into your strategic planning. Our comments reflect the priorities of counties across New York State and build on the extensive experience of our members as essential partners in the state's clean energy transition.

This year, two priorities anchor our comments: affordability and reliability. New York's local governments experience the energy transition from two directions at once. They are the entities responsible for keeping essential services running on an increasingly strained grid, and they are stewards of local budgets already constrained by the property tax cap while absorbing rising pension contributions, escalating insurance premiums, and other fixed costs largely outside their control. When energy costs rise, or when a renewable project is removed from the local tax base, those pressures compound—and they fall on the same residents and taxpayers our members serve. A durable clean energy transition must keep both affordability and reliability at its center, and it must

treat local governments as full partners rather than as parties to be consulted after key decisions are made.

State Progress Toward CLCPA Goals

New York State has made meaningful progress toward its clean energy objectives, and NYPA's expanded role has become an increasingly important part of that effort. We acknowledge the significant steps taken to expand solar, wind, and storage capacity, to advance affordability initiatives such as the Renewable Energy Access and Community Help (REACH) program, and to invest in the clean energy workforce.

At the same time, the pace and cost of the transition remain serious challenges. NYSAC supports a flexible, pragmatic approach to the clean energy transition—one that adjusts its pace and its tools as market, grid, and affordability realities require, while keeping reliability and affordability at the center of every decision. From the local government perspective, several concerns must inform that approach.

Affordability. Rising utility costs burden residents and local government budgets alike, particularly in rural and economically distressed communities. Under the property tax cap, and with pension and insurance costs climbing, local governments have little room to absorb higher energy costs or the loss of taxable value from projects that come off the rolls. Counties and municipalities need transparent cost projections and concrete mitigation strategies to plan responsibly.

Reliability and Extreme Weather. As demand grows with building electrification, electric vehicle adoption, and the emergence of large new loads such as data centers and semiconductor manufacturing, the grid faces unprecedented strain. For local governments, reliability is not an abstraction—it is a public health and safety imperative. Heat waves and winter storms become emergencies when the grid cannot keep up, placing municipal operations, emergency response, and our most vulnerable residents at risk. Infrastructure must be built, expanded, and hardened to perform when it is needed most.

Rural and Economic Equity. Only 15 percent of rural census tracts qualify as Disadvantaged Communities, compared to 47 percent of urban tracts, yet rural areas face aging housing stock, limited contractor availability, longer service distances, and thin broadband access. These communities require targeted support to participate meaningfully in the transition.

How NYPA Can and Should Support the Clean Energy Transition

Local governments are ready to help NYPA meet the state's energy goals. The recommendations below reflect where NYPA's authority and resources can do the most to advance an affordable, reliable, and locally supported transition.

Support a Diversified, Reliable, and Affordable Energy Portfolio

New York's energy future depends on a diversified generation mix that can deliver affordable, reliable power around the clock. We encourage New York State to pursue an all-of-the-above strategy—expanding renewable generation and storage while maintaining dependable capacity—so that the grid can meet rising demand without sacrificing reliability or driving costs higher. NYPA's initiative to develop advanced nuclear generation in Upstate New York is a constructive example of adding zero-emission baseload capacity that strengthens reliability and relieves pressure on land-based renewables; we support its continued development as one component of a balanced portfolio, subject to the local partnership principles described below.

To make this work, the state needs stronger central coordination. We continue to support the creation of a centralized energy coordinator—an “energy czar”—empowered to align generation, transmission, housing, and economic development planning across state agencies and authorities. As a public entity with broad authority and deep operational expertise, NYPA is well positioned to help lead that coordination effort.

Accelerate Distributed Energy Resources

Distributed energy resources—including residential and community solar, customer-sited battery storage, and electric vehicles—reduce emissions, lower and stabilize energy costs for households and local governments, strengthen reliability, and ease pressure on farmland by generating power within the built environment rather than on open land. They are also increasingly important to resilience: paired with battery storage, and through bidirectional vehicle-to-home and vehicle-to-grid charging, these resources can keep refrigerators, medical equipment, heating and cooling, and communications running when the grid goes down during a storm or extreme-weather event. We encourage NYPA to expand its support for distributed generation, customer-sited storage, and managed EV charging—through financing, incentives, and program design that make these resources accessible to low- and moderate-income households and to the local governments that serve them—so that the benefits of the transition reach residents directly and resilience is built into the grid at the community level.

Support Energy Storage Deployment

Energy storage is essential to an affordable, reliable, and clean grid, and we urge NYPA to make it a central element of its strategy. Storage lowers costs for ratepayers by

banking electricity when it is cheap and plentiful and delivering it when demand—and the price of power—is at its highest, reducing reliance on expensive peaking generation and deferring costly infrastructure upgrades. It improves reliability and resilience by holding power in reserve for periods of peak demand and grid stress, including the heat waves and winter storms that put our communities most at risk. And it is indispensable to meeting the state’s renewable energy targets because it allows the grid to absorb and dispatch intermittent solar and wind generation when it is needed rather than only when it is produced. We encourage NYPA to prioritize energy storage—at both grid and customer scale—across its renewables portfolio and its grid modernization investments. Storage should be deployed at the pace the system requires and, as noted below, sited with statewide safety standards and meaningful local input.

Invest in the Grid and Expand Transmission Capacity

Transmission and interconnection constraints are among the most significant and underappreciated obstacles to an affordable, reliable, and well-sited clean energy system. Insufficient transmission capacity not only limits reliability and raises costs; it also steers renewable development onto prime farmland, because that is where existing capacity happens to be. Expanding transmission is, therefore, both an energy priority and a farmland protection strategy. We urge NYPA to prioritize investment in transmission and distribution upgrades—including capacity to reach brownfields, landfills, and other underutilized sites—alongside measures to reduce line losses and harden infrastructure against extreme weather. Targeted transmission investment directly reduces the competitive advantage that agricultural land holds for developers and distributes the footprint of the transition more equitably across the state.

Guarantee Fair Compensation for Host Communities

The single most pressing concern our members raise about NYPA’s expanded role is its effect on the local tax base. As a public authority, NYPA is exempt from real property taxation, and—unlike private developers—it is not subject to the Payment in Lieu of Taxes (PILOT) framework that host communities rely on for compensation. When NYPA takes ownership of a renewable project, that project becomes wholly tax-exempt upon transfer. NYPA’s acquisition of the 20-megawatt Somers Solar project in the Town of Fort Edward, Washington County is the first such example, and NYPA’s newer model of financing a project’s development and acquiring it upon completion extends the same concern: a project may generate local tax revenue during private development only to come off the rolls once NYPA takes ownership.

These are not theoretical losses. They fall on counties, cities, towns, and villages already operating under the property tax cap, and they translate directly into pressure on essential services, including public safety, emergency response, roads, and schools. Public Authorities Law § 1005(27-a)(e)(ii)(E) directs NYPA to consider ways to minimize negative tax revenue impacts on host municipalities, including through PILOT

and community benefit agreements. But authority to consider compensation is not the same as a guarantee that communities will be compensated. We ask NYPA to commit to an enforceable minimum level of compensation for every host community, delivered regardless of whether the host municipality supported, opposed, or took no position on a project. A community should never be penalized financially for hosting a public power project, and opposition to a project should not forfeit a community's right to benefit from hosting it.

To make that commitment meaningful and consistent, we further ask NYPA—working with the state as appropriate—to develop a standardized host-community guidebook for renewable energy projects, modeled on the Host Community Investment Framework for Data Center Development that the state released in September 2026 under Executive Order No. 62. That framework gives local governments a clear, adaptable template for negotiating benefits that reflect the scale of the projects they host. Host communities for NYPA renewable projects deserve the same clarity: a framework that establishes an enforceable compensation floor, identifies the categories of investment communities should expect, and equips them to enter the process knowing what they are entitled to rather than learning afterward what they left on the table.

The fiscal impact of NYPA ownership also extends beyond real property taxation to local sales and use tax. Under New York's sales and use tax framework, a contractor performing a capital improvement for a private property owner generally pays sales and use tax on the building materials and other taxable tangible personal property incorporated into the project, and local tax on those materials is generally attributed to the jurisdiction in which they are used. A privately owned renewable energy project constructed within a county may, therefore, generate substantial local sales and use tax revenue from the taxable materials incorporated into it.

Different treatment generally applies when the project is owned by a qualifying tax-exempt governmental entity. A contractor performing work for such an entity may purchase materials incorporated into the entity's real property without paying sales tax. As a result, NYPA ownership may eliminate the local sales and use tax revenue that a comparable privately owned project would have generated.

This distinction should be expressly recognized in NYPA's host community compensation framework. For each project it owns or acquires, NYPA should estimate the local sales and use tax that would reasonably have been generated under a comparable private ownership structure, identify the portion of that revenue that will not be realized because of its tax-exempt status, and return any reasonably quantifiable amount to the affected local governments through an enforceable supplemental payment or equivalent mechanism. This compensation should be separate from, and additional to, payments addressing foregone real property tax or PILOT revenue. Real

property tax and sales tax are distinct local revenue streams, and compensation for the loss of one should not be presumed to compensate for the loss of the other.

Protect Farmland and Prioritize the Built Environment and Underutilized Land

New York's agricultural economy is both an economic driver and a critical carbon sink, and once prime farmland is converted, the loss is effectively permanent. We urge NYPA to prioritize the siting of renewable projects on rooftops, parking canopies, brownfields, landfills, and state-owned or otherwise underutilized land before considering prime agricultural soils, and to require meaningful, documented consideration of non-agricultural alternatives before farmland is used. Where agricultural land is used, NYPA should support dual-use approaches such as agrivoltaics that keep land in production and should treat farm economic viability as co-equal with farmland protection. These recommendations are developed at greater length in NYSAC's Summer 2026 report, *Balancing Renewable Energy Siting and Farmland Protection in New York State*, which we encourage NYPA to review alongside these comments.

Preserve Local Authority and Home Rule in Siting

Local governments must be full partners in siting decisions from the earliest stages, not parties notified after the fundamental choices have been made. Too often, counties learn of proposed projects through municipal referrals or public notices that arrive after siting decisions are effectively locked in, and locally adopted land-use plans lose meaningful force once a project enters state siting jurisdiction, where they may be set aside under the vague and inconsistently applied "unreasonably burdensome" standard. We ask NYPA to demonstrate a better model: provide counties and municipalities with early, direct notification and consultation on projects proposed within their jurisdictions and give locally adopted land-use and agricultural protection plans genuine weight in project decisions.

These same principles must extend to battery energy storage and nuclear siting. On battery storage in particular, we urge support for statewide minimum safety standards that reinforce, rather than supplant, local decision-making: meaningful setbacks from homes, farms, and schools; protections for drinking-water supplies, aquifers, and private wells; funded, recurring training for local fire departments and emergency managers; and financial assurance for decommissioning and incident response. Storage and generation of every kind should be sited with local consent and with adequate protection for the communities that host them.

Expand Clean Energy Workforce Development

We strongly support NYPA's investment of up to \$25 million annually in clean energy workforce training and development, together with the \$40 million nuclear workforce

initiative announced this year. A skilled workforce is essential both to reliability—the trades that build and maintain this system—and to the economic development goals of the communities where projects are located. We encourage NYPA to continue expanding these investments, to evaluate them regularly against evolving regional needs, and to partner with counties and local training providers so that the benefits of the transition reach the communities that host its infrastructure.

Provide Technical Assistance and Capacity Building for Local Governments

Local governments are ready and willing partners, but many operate with limited staff and limited budgets. Our members' experience with NYSERDA's Clean Energy Communities program offers clear lessons for how the state can support local capacity effectively. First, match-free assistance is essential: under the property tax cap and mounting fixed costs, requiring a local financial match puts clean energy projects out of reach for many communities and invites political delay. Second, dedicated coordinators with genuine technical expertise—who build trust and relationships over time—accelerate projects and help communities avoid costly missteps. Third, program stability matters: time- and resource-constrained municipal staff cannot continually relearn new frameworks, and frequent program churn stalls the very progress it is meant to advance. We ask NYPA to reflect these principles in its own local engagement, to coordinate with NYSERDA and other agencies to reduce fragmentation, and to support a single centralized portal where local governments can find funding opportunities, technical assistance, and regulatory updates in one place. Local governments should also be engaged early and substantively in the rulemaking and planning processes that affect them, through briefings and roundtables rather than comment periods alone.

Support Responsible End-of-Life Management

A responsible transition must plan for the end of a project's life, not only its construction. We urge NYPA to support the establishment of an extended producer responsibility program for solar panels and wind equipment, requiring manufacturers to take back and recycle their products at the end of their useful life, and to help build the recycling infrastructure needed to recover valuable materials and keep hazardous materials out of landfills. Just as important, decommissioning must be financially secured. Existing bonding and security mechanisms may not be sufficient to cover the actual cost of removing large-scale installations decades from now, and host communities must not be left with stranded costs. We ask NYPA to demonstrate strong decommissioning and site-restoration standards, backed by adequate financial assurance, for the projects it owns and controls.

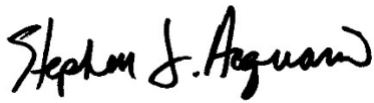
Conclusion

New York's counties are committed partners in building an affordable, reliable, and sustainable energy future. We are not here to slow the transition; we are here because a

transition that is poorly coordinated, that drives up costs, or that shifts burdens onto host communities will ultimately undermine the public support on which its success depends. The recommendations above are grounded in the direct experience of local governments and are achievable within NYPA's existing authority. They do not require choosing between clean energy and the well-being of our communities—they require treating both as priorities.

We thank NYPA for its continued commitment to soliciting local government input, and we look forward to strengthening our partnership to deliver an energy transition that works for all New Yorkers.

Respectfully submitted,

A handwritten signature in black ink, reading "Stephen J. Acquario". The signature is written in a cursive, flowing style with a large initial 'S'.

Stephen J. Acquario
Executive Director