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New York Congressional Delegates Urge Governor Hochul to Include Additional Clean Energy Provisions in Executive Budget

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Several members of the New York congressional delegation have [written a letter](#) urging Governor Kathy Hochul to amend her fiscal year 2024 budget to incorporate certain elements of the New York Build Public Renewables Act (BPRA) in order to better position New York to “benefit from additional [Inflation Reduction Act (IRA)] funding.” The BPRA, recently passed by the New York Senate and included in the Senate budget proposal, outlines how [the New York Power Authority (NYPA)] “can be fully harnessed as a vehicle for climate action.” At a high level, [the BPRA](#) would require the NYPA “to provide only renewable energy and power to customers; requires such authority to be the sole provider of energy to all state owned and municipal properties; requires certain New York power authority projects and programs pay a prevailing wage and utilize project labor agreements.”

First, the letter encourages Governor Hochul to support BPRA’s “comprehensive set of labor provisions,” which would ensure that “green jobs are actually good jobs.” The BPRA provides for retraining fossil fuel workers to transition to clean energy jobs. Workers would maintain wages, seniority and benefits during the transition process.

Second, the letter encourages Governor Hochul to include in her budget provisions requiring the NYPA to “retrofit the state’s public schools and public housing by 2035, with priority for those located in disadvantaged communities.” The letter explains that decarbonizing and upgrading public infrastructure of the state’s public schools and housing in disadvantaged communities “represents one of the IRA’s most profound opportunities to invest in communities that have been left behind, and to make President Biden’s Justice40 Initiative a success,” and “enhance New York’s eligibility for a range of environmental justice programs in the IRA.”

Finally, the letter urges Governor Hochul to “consider including BPRA’s mandate for the NYPA to build renewable energy generation.” In particular, the BPRA would require the NYPA to “only generate” or “purchase, acquire, plan, design, engineer, finance and construct” renewable

energy generation facilities starting January 1, 2030, or have its trustees attest to a need to continue using certain non-renewable energy sources.

The letter's signatories point out that if Governor Hochul makes certain adjustments to her budget proposal, it would allow New York to maximize funding opportunities created by the Inflation Reduction Act (IRA), including its clean energy tax incentives: the Investment Tax Credit and Production Tax Credit. As a tax-exempt public entity, the NYPA can monetize incentives under the IRA's "direct pay" provisions. This provision would also ensure that New York can meet its legally mandated emission reduction goals.

Taking the Temperature: Public investment to drive development of clean energy is a hot topic globally, as evidenced by the recent passage of the Inflation Reduction Act, which includes approximately \$370 billion in climate- and energy-related provisions, including \$121 billion of investment and production tax credits and the establishment of a \$27 billion Greenhouse Gas Reduction Fund to be administered by the Environmental Protection Agency (EPA), and the European Commission's adoption of the [Green Deal Industrial Plan](#), which is widely viewed as a response to the IRA. The European Commission also recently has approved [substantial state subsidies](#) to support companies investing in sustainable practices.

The New York congressional members who wrote the letter to Governor Hochul emphasize that "when New York leads, the nation follows." According to the letter, New York's landmark Climate Leadership and Community Protection Act (CLCPA), enacted in 2019, helped encourage changes in federal climate policy. Proponents of the BPPA also assert that its core pillars—public ownership of clean energy, emissions mitigation, and racial and economic environmental justice—would position it as a model for other states to follow.