



**VIA EMAIL**

January 28, 2025

wamchair@nyassembly.gov  
financechair@nysenate.gov

**Re: CleanCapital Testimony to Joint Legislative Budget Hearing on Energy and Environmental Conservation Regarding the 2025-2026 Executive Budget**

Dear Senator Kreuger and Assemblymember Pretlow,

CleanCapital is a diversified clean energy company headquartered in New York City, with offices throughout the state, focused on strategic investments in the full lifecycle of solar and energy storage projects. Mission-driven to mitigate the climate crisis, CleanCapital leads the energy transition with strategic investments in early-stage, new construction, and operating renewables projects and development partners. To date, the company has invested over \$1 billion in projects and companies, including the acquisition of BQ Energy, a national leader in landfill and brownfield renewable energy development, managing an operating portfolio of more than 200 projects totaling more than 340 MW and a pipeline totaling well over 2 GW. CleanCapital appreciates the opportunity to offer testimony regarding the 2025-2026 executive budget.

Expanding the supply of solar energy in New York could greatly support the Governor's Affordability Agenda by helping to lower electricity bills for both homes and businesses across the state. However, the 2025-2026 Executive Budget and the Governor's policy agenda, as outlined in her State-of-the-State address, currently do not include specific policies to promote cost-effective solar deployment in New York.

Rooftop and community solar ("distributed solar") is New York's most successful clean energy sector, and continues to have incredible momentum following a record-setting year for the state. It is also the sector that employs the most workers, with 15,490 employees based on NYSERDA's 2024 jobs census. Despite our industry's momentum, we are facing major challenges that threaten New York's solar industry, companies like mine, and our skilled workforce. These challenges can be overcome with smart policy proposals, and I encourage you to consider the following proposals in the 2025-2026 budget.



Raising the state’s distributed solar goal to 20 gigawatts by 2035 (“20x35”) will further push New York to close the gap on its renewable energy targets while lowering energy costs for families and businesses. In June 2024, NYSEIA released [20 Gigawatts by 2035](#), a policy roadmap to accelerate distributed solar deployment in New York. Adopting the proposals in this roadmap will deliver \$50B in direct utility bill savings to families and businesses, lower the cost of electricity for all customers, and create 15,000 additional sustainable jobs in the solar industry.

Currently, community-scale solar projects face both siting and interconnection challenges, delaying the development of many solar projects throughout the state.

Community-scale projects are permitted by local governments, who are increasingly adopting restrictive local laws and moratoria in response to utility-scale projects and/or misinformation. An estimated 4.6 gigawatts of otherwise viable community solar projects are being blocked due to restrictive local laws. New York can easily replicate Illinois’ model of siting reform, where the state streamlines local permitting by creating statewide standards for community solar while keeping project-specific zoning decisions at the local level. This approach simultaneously respects “home rule” while creating viable permitting pathways for community solar projects across the state.

At the beginning of this year, the DEC drastically expanded its jurisdiction over wetlands and surrounding areas, with the agency’s jurisdiction set to expand further in the coming years. Protecting New York’s ecological resources is important, but it must be balanced with the need to deploy renewable energy. The DEC does not yet have a general permit for solar projects, and until now the agency has enforced a de facto ban against solar on any land it regulates. We urge the DEC to rapidly develop a general permit that allows solar on most sites where it would be permitted by the national standard— USACE’s Nationwide Permit 51.

Regarding interconnection, New York solar and energy storage developers pay utilities to upgrade distribution systems in order to interconnect their projects to the grid, but the companies do not have any control over the work completed by the utility company, nor is there regulatory oversight on these utility costs. The cost to interconnect new projects has risen faster than inflation due to the utilities’ inefficient designs, high overhead, and unchecked cost overruns. Better regulating utility interconnection costs and implementing a flexible interconnection program— where utilities actively manage distributed energy resources with smart grid technology rather than overbuilding traditional utility infrastructure— will lower interconnection costs and shorten the timeline to connect new projects.



Finally, the NY-Sun program is NYSERDA's most successful clean energy program, supporting solar projects across much of New York State with modest capacity-based incentives, which are nearly exhausted. Companies like CleanCapital rely on long-term market certainty to make strategic investments in the state, and while near-term action is necessary for market continuity, long-term solutions are essential to provide the predictability needed to attract ongoing investment. Therefore, it is important that NYSERDA's NY-Sun program be extended, with a particular focus on projects that help lower energy costs for low- to moderate-income households or those that are strategically sited to minimize land use impacts.

Thank you for the opportunity to provide input, and for your important work to protect New York's environment and cost-effectively increase clean energy supply.

Sincerely,

A handwritten signature in black ink, appearing to read "T.M.", written in a cursive style.

Twiggy Mendenhall,  
Policy Associate  
CleanCapital