



KATHY HOCHUL
Governor

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Chairman

JUSTIN E. DRISCOLL
President & Chief Executive Officer

January 30, 2026

The Honorable Kathy Hochul
Governor, State of New York
NYS State Capitol Building
Albany, NY 12224

Dear Governor Hochul:

Enclosed for your information please find the New York Power Authority's Final Report on the Decarbonization Action Plans to the Governor, the Speaker of the Assembly, and the Temporary President of the Senate pursuant to Public Buildings Law § 91 (3).

Very truly yours,

/s/ Lori A. Alesio

Lori A. Alesio
Executive Vice President & General Counsel

cc: Hon. Andrea Stewart-Cousins, President Pro Tempore of the Senate (via Hand Delivery)
Hon. Carl E. Heastie, Speaker of the Assembly (via Hand Delivery)



Report on Decarbonization Action Plans

Final Report to the Governor, the President Pro Tempore of the Senate, and the Speaker of the Assembly on Preparing Decarbonization Action Plans for Fifteen of the Highest Emitting State-Owned Facilities Pursuant to Public Buildings Law § 91(3).

New York Power Authority

Issued January 30, 2026

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The Power Authority of the State of New York (NYPA or the Power Authority) is pleased to report the timely completion of decarbonization action plans for fifteen of the highest-emitting state-owned facilities in New York as of January 30, 2026. NYPA hereby submits this annual report on the decarbonization action plans, which also serves as the Final Report on the Decarbonization Leadership Program.

A. Executive Summary

The 2023-2024 State Budget authorized and directed NYPA to lead the Decarbonization Leadership Program and prepare decarbonization action plans for fifteen of the highest emitting state-owned facilities in New York State. The budget required the decarbonization action plans to (1) provide a comprehensive analysis of energy usage and associated emissions at the identified state-owned facilities, (2) assess the feasibility of thermal energy networks and energy efficiency measures, (3) evaluate clean energy and electrification options, (4) identify parts of the facilities that cannot be decarbonized, and (5) consider economic factors and planning for future clean energy integration and transportation electrification. The Program Team has completed the decarbonization action plans for each of the fifteen highest emitting state-owned facilities to achieve full decarbonization with a focus on near-term emission reduction, fulfilling the 2023-2024 State Budget directive. Implementation of the decarbonization action plans is estimated to result in the reduction of approximately 500,000 mtCO₂e of GHG emissions from New York State.

If a state facility decides to implement the decarbonization measures identified in its action plan, NYPA stands ready to collaborate and provide services in accordance with the terms and conditions agreed upon with the state facility, subject to reimbursement as authorized by the 2023-2024 State Budget.

B. Background and Statutory Context

B.1 Overview

The 2023-24 State Budget authorized and directed NYPA to implement the [Decarbonization Leadership Program](#), which calls for (1) the development of energy and emissions profiles for State government’s largest carbon-emitting facilities and (2) decarbonization action plans that will guide state agencies on facility improvements that help New York meet its carbon emission reduction goals.¹ The Decarbonization Leadership Program aligns with NYPA’s efforts over the past decade to support the State’s transition to clean green electricity, including upgrading the Authority’s hydropower projects, supplying the State with carbon-free electricity, and expanding New York’s transmission system, to name a few. The Decarbonization Leadership Program

¹ 2023-24 Enacted State Budget; Chapter 58 of the Laws of 2023, Transportation, Economic Development and Environmental Conservation (“TED”), Part RR.

accompanied the 2023-24 State Budget enactment of significantly expanded NYPA authority under the Power Authority Act, pursuant to which:

- NYPA is authorized to develop, own and operate renewable energy generation projects to help meet the state’s clean energy targets.
- NYPA and the New York State Public Service Commission will establish the Renewable Energy Access and Community Help (“REACH”) program to provide renewable energy bill credits to low-income New Yorkers.
- NYPA is authorized to invest up to \$25 million annually in workforce training.
- NYPA will cease fossil fuel generation at its small natural gas power plants by 2030 if environmental conditions and electric system reliability allow.²

Relevant to this Report, the 2023-24 State Budget amended the Public Buildings Law to authorize and direct NYPA to develop decarbonization action plans for 15 of the highest greenhouse-gas emitting State facilities no later than January 31, 2026.³ The enactment states that:

The authority shall complete the decarbonization action plans no later than January thirty-first, two thousand twenty-six, provided that such date shall be extended for justifiable delay outside the control of the authority, including, but not limited to, previously planned or current major renovations or replacements to the facilities, delayed permitting or approval by building owners, local authorities, or other essential parties, external resource bottlenecks, pending or unresolved investigations into utility grid capacity or similar circumstances where crucial information is not yet available or determined. Such extension shall be limited to the time necessary to address the factors causing such delay.⁴

B.2 Funding Allocation and Cost Recovery

With respect to funding and cost recovery, the enactment states that:

The authority is authorized to allocate up to thirty million dollars to prepare the decarbonization action plans. The owner or operator of state-owned facilities shall not be responsible for reimbursing the authority for the costs the authority incurs to establish the decarbonization action plans provided for in this section, provided that the authority is authorized to obtain reimbursement of such costs from any other available funding sources, and provided further, that nothing in this subdivision is intended to limit the authority from receiving compensation for any services it provides to any owner or operator of state-owned facilities,

² Id., TED Part QQ; See PAL § 1005(27-a) - (27-d).

³ Pub. Bldgs. Law, Art. 4-D.

⁴ Pub. Bldgs. Law § 91(2).

*including services related to implementation of decarbonization plans and decarbonization projects, on such terms and conditions as the parties agree.*⁵

The enactment provides for assistance to NYPA from other agencies and state facility owners, stating:

*The authority may ask and shall receive from the state energy research and development authority, the office of general services, the state university of New York, the dormitory authority, the department of environmental conservation, and any owners and operators of state-owned facilities, any information or staff technical assistance necessary to carry out its powers and duties under this section.*⁶

B.3 Labor and Domestic Content Requirements

The enactment establishes labor and domestic content requirements for any project, including a thermal energy project, funded as a result of a decarbonization action plan. Specifically, the enactment states that:

*Any project, including any thermal energy project, that may be funded as a result of a decarbonization action plan completed pursuant to this section shall: (a) be deemed a public work project subject to article eight of the labor law; (b) require that the component parts of any geothermal systems or any other heating or cooling systems are produced or made in whole or substantial part in the United States, its territories or possessions, subject to a waiver provision similar to the one contained in subdivision two of section sixty-six-s of the public service law; (c) contain a requirement that any public owner or third party acting on behalf of a public owner enter into a project labor agreement as defined by section two hundred twenty-two of the labor law for all construction work; and (d) require the payment of prevailing wage standards consistent with article nine of the labor law for building services work. Notwithstanding any provision of law to the contrary, all rights or benefits, including terms and conditions of employment, and protection of civil service and collective bargaining status of all existing public employees and the work jurisdiction, covered job titles, and work assignments, set forth in the civil service law and collective bargaining agreements with labor organizations representing public employees shall be preserved and protected.*⁷

⁵ Pub. Bldgs. Law § 91(4).

⁶ Pub. Bldgs. Law § 91(5). Separate from the decarbonization action plans, the enactment further provides that “The State University of New York is authorized to utilize up to thirty million dollars of the 2023-24 New York state urban development corporation capital appropriation for the replacement of absorption chillers in the central chiller plant of the state university of New York at Albany.” Pub. Bldgs. Law § 91(6).

⁷ Pub. Bldgs. Law § 91(7).

To further address any displacement of currently employed workers, the enactment requires that:

[Any project, including a thermal energy project, funded as a result of a decarbonization action plan] *shall not result in the: (i) displacement of any currently employed worker or loss of position (including partial displacement as such a reduction in the hours of non-overtime work, wages, or employment benefits) or result in the impairment of existing collective bargaining agreements; (ii) transfer of existing duties and functions related to maintenance and operations currently performed by existing employees of authorized entities to a contracting entity; or (iii) transfer of future duties and functions ordinarily performed by employees of authorized entities to a contracting entity.*⁸

B.4 Reporting Requirement

The enactment requires NYPA to report its progress on the decarbonization action plans to the Governor and the Legislative Leaders, stating:

*The authority shall complete and submit a report, on or before January thirty-first, two thousand twenty-five, and annually thereafter, to the governor, the speaker of the assembly, and the temporary president of the senate, and shall post such report on the authority's website so that it is accessible for public review. Such report shall include, but not be limited to: (a) the progress of the decarbonization action plans; (b) any difficulties in preparing the decarbonization action plans; and (c) any anticipated delays in completing the decarbonization action plans by January thirty-first, two thousand twenty-seven.*⁹

On January 31, 2025, NYPA submitted its first annual report on Decarbonization Action Plans. This Report, dated January 30, 2026, fulfills the above-stated reporting requirement for 2025 and serves as the final report on this initiative.

⁸ Id.

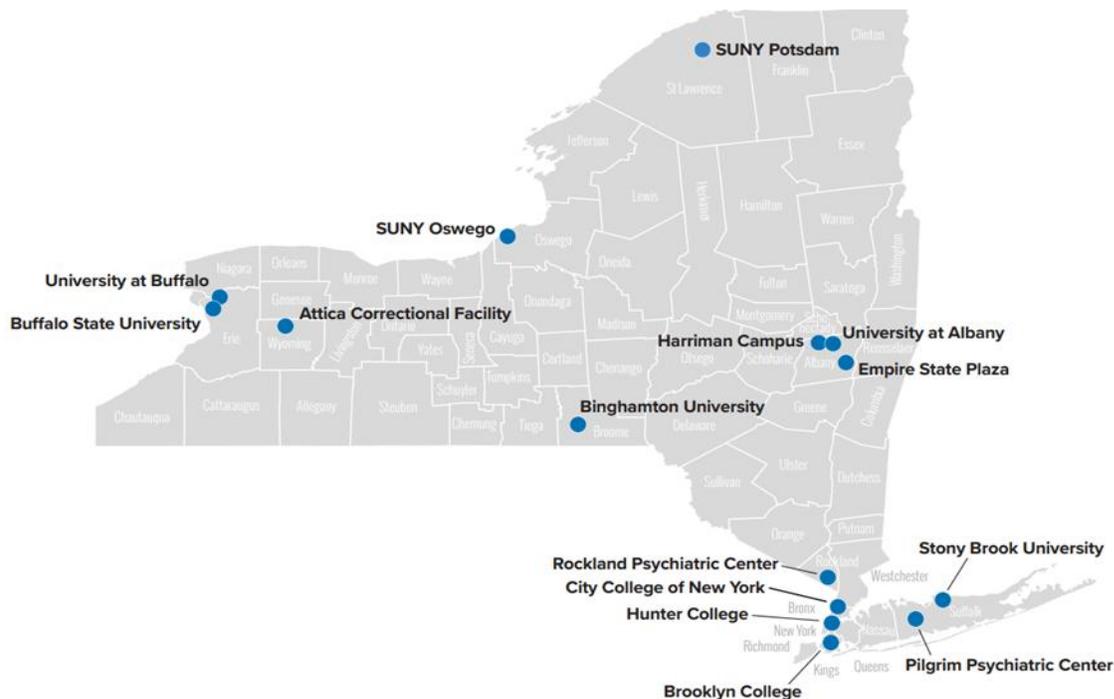
⁹ Pub. Bldgs. Law § 91(3) The enactment also states that “[t]he authority shall complete the decarbonization action plans no later than January thirty-first, two thousand twenty-six, provided that such date shall be extended for justifiable delay outside the control of the authority, including, but not limited to, previously planned or current major renovations or replacements to the facilities, delayed permitting or approval by building owners, local authorities, or other essential parties, external resource bottlenecks, pending or unresolved investigations into utility grid capacity or similar circumstances where crucial information is not yet available or determined. Such extension shall be limited to the time necessary to address the factors causing such delay.” Pub. Bldgs. Law § 91(2).

B.5 List of Facilities

Pursuant to the Decarbonization leadership program, NYPA has completed the decarbonization action plans for the following 15 state-owned facilities that are among the highest emitters of greenhouse-gases:

- The Empire State Plaza
- The W. Averell Harriman State Office Building Campus
- The State University of New York at Albany
- The State University of New York at Binghamton
- The State University of New York at Buffalo
- The State University of New York at Potsdam
- The State University of New York at Oswego
- The State University of New York at Stony Brook
- Buffalo State University
- Brooklyn College
- The City College of New York
- Hunter College
- Attica/Wyoming Correctional Facility
- Pilgrim Psychiatric Center
- Rockland Psychiatric Center

The figure below shows the locations of these facilities across New York.



B.6 Decarbonization Leadership Program Criteria

The Decarbonization Leadership program aims to assist State entities in identifying impactful projects and programs to electrify and decarbonize the identified 15 facilities. Future decarbonization projects based on these plans will create clean energy jobs and will include innovative new technologies, such as thermal energy networks, that would connect multiple buildings to carbon-free energy sources. The enactment required the decarbonization action plans to address the following criteria at a minimum:

- (a) A comprehensive accounting and analysis of all energy uses at the facilities.
- (b) Greenhouse gas and other harmful emissions (e.g., NO_x, SO_x, particulate matter) resulting from the on-site and source energy usage of the facilities.
- (c) Analysis of the feasibility of using thermal energy and thermal energy networks at the facility, including any anticipated limitations on the use of thermal energy networks, along with a characterization of any such limitations, including whether they are permanent, temporary, or resolvable on a cost-effective basis.
- (d) Identification and analysis of energy efficiency measures that could be designed and constructed in later decarbonization project phases.
- (e) An analysis of the availability and/or feasibility of providing clean energy through electrification technologies and associated electrical upgrades to meet the facility energy needs, as demonstrated by the reduced load profiles determined to be practicable based on the energy efficiency measures identified, either through on-site generation and/or other procurement.
- (f) Investigation of the resiliency and redundant capacity of the existing critical infrastructure, such as heating, cooling and backup electrical power systems.
- (g) Identification of any parts of the facilities that cannot be decarbonized, with explanations.
- (h) Geotechnical investigations into the on-site potential for clean energy sources, including drilling test geothermal wells as needed.
- (i) Determination of the feasibility and advisability of gathering, combining, or expanding any clean energy sources or central thermal energy networks with neighboring or nearby related state facilities.
- (j) Investigation of the infrastructure, planning and funding needed to electrify transportation resources regularly used to serve the facilities, such as public transit, vehicle fleets or employee/resident/student electric vehicle charging stations.
- (k) An economic and feasibility analysis based upon the potential to decarbonize the facility, considering among other things the net present value of the life cycle cost of the thermal systems and other systems proposed, inclusive of the social cost of carbon, capital expenses for initial implementation and major equipment replacements, and operational expenses, including labor costs.¹⁰

¹⁰ Pub. Bldgs. Law § 91(1).

C. Decarbonization Action Plans

At this time, the Decarbonization Leadership Program Team has completed and presented decarbonization action plans to each of the fifteen highest emitting state-owned facilities. NYPA stands ready to assist facility owners with implementation of the plans in accordance with the owners' priorities and funding, subject to reimbursement as authorized by the 2023-2024 State Budget. This report satisfies NYPA's statutory obligation pursuant to Pub. Bldgs. Law § 91(2).