

YOU'RE READING A **timesunionPLUS** DIGITAL STORY

**UNLIMITED DIGITAL ACCESS**

SUBSCRIBE FOR \$1/wk

Get the eEdition, iPad app and TUpus content every day for only \$1/week

**timesunion** <http://www.timesunion.com/tuplus-opinion/article/Support-geothermal-tax-credit-10621516.php>

## Support geothermal tax credit

By Bill Nowak, Commentary Published 4:56 pm, Thursday, November 17, 2016

ADVERTISEMENT

### Grand Hyatt Kauai Resort & Spa

**\$437** ~~\$555~~

[TripAdvisor](#)



Under Gov. **Andrew Cuomo's** leadership, New York has ramped up its role as a trend-setter in the transition to clean energy and as a leading light in the fight against climate change.

At the same time, the governor's signature is missing from a key piece of legislation (A9925) that overwhelmingly passed the state Legislature in June. A9925 provides a tax credit for geothermal heat pump installations – a practical, renewable way to heat and cool buildings.

The governor needs to sign this bill to prevent significant damage to the geothermal industry in New York when a federal tax credit expires at the end of this year. By signing this bill, the governor has a chance to support more than 1,000 living-wage New York jobs in the geothermal field. The skills embedded in these jobs are crucial to New York's ability to meet its energy and climate goals. Lack of timely support for this efficient technology will result in a scattering of talent, capacity and experience that will be difficult to reassemble.

The geothermal tax credit bill mirrors New York's solar energy policy, providing a credit of 25 percent of residential project costs up to \$5,000. The solar credit has helped successfully ignite a New York solar industry that provides well-paid jobs, fresh economic activity and tax revenue, all while saving consumers money on their monthly utility bills.

This bill isn't just about supporting the geothermal industry. It is a critical part of New York's efforts to reduce greenhouse gases. The 2015 state Energy Plan attributes on-site combustion — primarily heating homes and buildings — with 35 percent of the state's greenhouse gas emissions. This sector contributes significantly more emissions than even in-state electricity generation, which accounts for 18 percent of emissions.

Geothermal heat pumps cleanly and efficiently heat and cool our homes and businesses without fossil fuels, using the constant temperature underground as a renewable heat source in winter and a renewable cooling source in summer. In the winter, heat is drawn into the house through a fluid circulating in underground pipes and then concentrated by the pressure of a heat pump and distributed throughout the building. On hot summer days, the process is reversed to provide cooling.

Geothermal heating and cooling, coupled with conservation, is New York's most complete solution for reducing greenhouse gas emissions from heating buildings. It has been a growing industry in our state, and we need it to ramp up significantly if New York is going to meet its goal of reducing greenhouse emission by 50 percent by 2030.

Cuomo has taken significant steps to create and protect energy jobs in New York. The recently adopted nuclear plant bailout, which has sparked controversy, protects a reported 2,350 jobs at a projected cost of \$7.6 billion over 12 years.

ADVERTISEMENT

## Grand Hyatt Kauai Resort & Spa

**\$437** ~~\$555~~

TripAdvisor



The **New York Geothermal Energy Organization** estimates the A9925 tax credit for geothermal heat pumps will protect 1,000 current jobs held by New Yorkers at a yearly cost of \$3 million. That cost will be offset by payroll taxes and spinoff taxes generated by geothermal heat pump installations, as design and engineering firms are hired, contractors, drillers and excavators are engaged, components are bought, and projects are completed.

In recent years, forward-looking Republican governors in Iowa and South Carolina have signed legislation similar to New York's A9925 geothermal tax credit. With America's response to climate change in question, we call on Cuomo to protect jobs, our economy and the climate and sign this important legislation.

**Bill Nowak** is the executive director of the New York Geothermal Energy Organization.

© 2016 Hearst Communications, Inc.

**H E A R S T**