

New York State Unveils Bold Green Economy Plan

As the country awaits the transition to a new administration, the way political talking points from the campaign trail become policy reality comes into sharper focus. In particular, Biden's sweeping plans to prioritize climate issues and move the economy onto a more sustainable path will likely give guidance to other politicians and policymakers at all levels across the country.

On January 13, New York State Governor Cuomo announced a bold [plan](#) to recover from COVID-19 and to build a "green economy" in the state. The governor claims the plan will lead to \$29 billion of public-private investment, add 12,400 megawatts of green energy capacity, and create 50,000 jobs in New York, all as part of a complete transition away from fossil fuels and toward a carbon dioxide emissions reduction of 16 million metric tons per year.

There are four parts to Cuomo's Green Economy plan:

1. **Build clean energy projects to support 100% of New York State energy needs.** The initial plan includes 100 projects in solar, on- and offshore wind, and battery storage.
2. **Become a leader in wind energy manufacturing.** The governor plans to create a leading position as a manufacturer of wind turbine components and is actively partnering with several companies.
3. **Build out green transmission system.** Cuomo is planning \$5 billion of investment to add transmission lines to bring green power from upstate New York and Canada to the NYC metro area.
4. **Train and educate green economy workforce.** The plan will invest \$700 million in energy efficiency technology for 130,000 buildings across New York.

Implications For Investors

Seeds' investment approach focuses on mitigating risk by limiting exposures to material ESG issues as well as actively looking to identify companies and industries that are poised to benefit from greater investor focus on sustainability. With the new initiatives in this green plan and the others that will likely follow under the Biden administration, we believe many companies that have lagged in ESG

performance will face significant risk as new rules and regulations related to climate issues, products, human capital, corporate governance, and overall transparency and reporting begin to take effect. Inversely, companies that have prioritized a strong ESG approach are poised to benefit, and investors will likely take notice. Industry sectors represented in Seeds portfolios include renewable energy, energy efficiency, cleantech, energy storage, and engineering & construction.

Disclosures

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