

Program Guidelines
New York State

**Promote Opportunity with Electric
Readiness for Underdeveloped Properties
(POWER UP)
Grant Program**



State of New York
Kathy Hochul, Governor
Empire State Development

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I. Overview

In FY26, Governor Kathy Hochul created the Promote Opportunity with Electric Readiness for Underdeveloped Properties (POWER UP) incentive program to aid New York State (NYS) in creating an inventory of turn-key industrial sites to attract investment from next-generation manufacturers. The increasing power demands of modern manufacturers signifies a commitment to cutting-edge technologies like advanced robotics and computing systems—important drivers of a 21st-century economy. Developing the level of electrical infrastructure needed to support these technologies and manufacturers is a complex undertaking, but is a crucial investment to keep NYS competitive in an evolving economic landscape.

Building on the ongoing success of FAST NY, which provides grants to municipalities in New York to develop "shovel-ready" industrial sites, the new POWER UP program will focus on proactively developing electrical infrastructure at key industrial sites, helping to build a suite of locations that can support the next generation of modern manufacturers looking to operate in NYS. POWER UP will help cut years off site development timelines and will allow New York to offer industrial sites that are both power-ready and shovel-ready.

Empire State Development (ESD) will administer POWER UP in consultation with the Department of Public Service (DPS). ESD will lead program administration and site evaluation. DPS will provide advisory input, leveraging its knowledge of utility capital planning to ensure that proposed infrastructure investments are technically sound and aligned with regulatory requirements and public interest objectives.

By preparing power-ready sites, POWER UP will position New York to attract high-growth industries through durable, future-facing upgrades that align with the energy and operational needs of 21st-century businesses.

II. Definitions

- **Municipality** shall mean an incorporated municipal subdivision that is a county, city, town, or village in New York State.
- **Municipally Designated Non-Profit Economic Development Organization** shall mean New York State-based nonprofit industrial development agencies and authorities and economic development corporations designated to act on the behalf of the municipality in which the site is located.
- **Control of the Site** means the applicant must have legal authority to manage and develop the site for the purposes of the grant. This may include fee ownership, leasehold interests with development rights, or formal authorization from the property owner. Control must enable the applicant to implement capital improvements funded through the program.
- **Soft Costs** mean project-related professional fees and administrative costs incurred prior to or during construction, including architectural and engineering services,

surveying, environmental assessments, permitting, legal, or project management expenses.

- **Mature Site** means a site that has undergone sufficient planning and due diligence to support near-term development. This includes preliminary engineering, feasibility analysis, and demonstrated engagement with utility and regulatory agencies.

III. Eligibility Criteria

Eligible Applicants include:

- Utilities, including:
 - Regulated Utility Companies
 - Public Power Authorities
 - Municipal Utilities
 - Electric Cooperatives
 - Other corporate structures as approved by ESD
- Industrial Development Agencies (IDAs)
- Municipalities
- Local Development Corporations (LDCs)
- Municipally Designated Economic Development Organizations (EDOs)
- Applicants must either:
 - a. have ownership or control of the site, or
 - b. provide written consent from the ownership entity and, if different, the entity that has legal control of the site agreeing to use POWER UP funds as outlined in the application.

Eligible Sites:

- Must be targeted to attract the following sectors:
 - a. high-tech manufacturing, including but not limited to semiconductors, renewable energy, life sciences, agribusiness, optics, transportation equipment, or materials processing.
 - b. Other priority sectors as determined by ESD.
- Must be a minimum of 40 contiguous developable acres in size and demonstrate a high-level of readiness with respect to preliminary engineering, feasibility studies, and engagement with electric utility providers.
 - a. Waivers may be granted by ESD for smaller sites that demonstrate exceptional public benefits or strategic value, such as proximity to intermodal transportation, population centers, brownfield redevelopment opportunities, or critical infrastructure supporting underserved communities or statewide energy goals.

- Industrial campuses with significant vacancy and underutilized infrastructure shall be eligible, even in the absence of new developable land, provided the existing structures can be adapted for use by an eligible strategic industry and require power-related upgrades to become viable.

IV. Eligible Costs

- Capital grants will be awarded to enhance the power readiness of mature industrial sites by funding critical infrastructure upgrades. Eligible improvements include, but are not necessarily limited to:
 - electrical infrastructure such as transformers, conductors, buses, switches, insulators, substations, and poles; and,
 - utility conduits, including conduit and duct banks;
 - technology and monitoring systems such as monitoring equipment, energy storage, and alternative energy system components
 - non-electrical infrastructure costs, such as masonry, fencing, excavation, structural fill, site restoration, and property acquisition, may also be eligible if essential for the implementation of the POWER UP project.
 - Other costs as determined by ESD.

V. Application Instructions

Applications will be accepted on a rolling basis.

a. Letter of Intent

- i. A "Letter of Intent" demonstrating an intent to apply is required. Information regarding the Letter of Intent is available online at <https://esd.ny.gov/powerup>.
- ii. ESD will confirm receipt by email within seven (7) calendar days.
- iii. Within 30 calendar days, ESD will advise the Applicant by email whether they may proceed with a full application.

b. Application

- i. A non-refundable application fee of \$250 is required. Documentation of this payment is required as part of the application.
- ii. Eligible Applicants must complete the application through the Consolidated Funding Application (CFA) online portal: <https://apps.cio.ny.gov/apps/cfa/>.
- iii. Once submitted, ESD will review applications for completeness and subsequently score them.
- iv. Site visits may be completed before award selection.
- v. An interview with the project applicant may be required.
- vi. ESD reserves the right to request additional information to aid in the evaluation of an application.
- vii. Awardees will be notified by email.

c. Commitment Fee

- i. A one percent (1%) non-reimbursable commitment fee based on the grant amount awarded will be assessed to all awardees.
- ii. The commitment fee will be due upon execution of the documents required for processing the award, following approval by the ESD Directors.
- iii. The Applicant will be obligated to pay for out-of-pocket expenses incurred by ESD in connection with the project, including, but not limited to, attorney fees, appraisals, surveys, title insurance, credit checks, filing fees, public hearing expenses, and other expenses deemed necessary by ESD.

VI. Documentation Requirements for Applicants

This section outlines the documentation necessary to be considered for an award. Please note that additional documents may be requested in order to complete ESD's evaluation of applications.

- Letter of support from the chief executive and/or legislative resolution of the local Municipality that maintains land use control over the proposed project site.
- Documentation of site ownership or control or written consent from the ownership entity consenting to the application for POWER UP funding.
- Documented research and/or market study showing the specific industry that will be targeted and the specific electrical infrastructure needs. Applicant must demonstrate that the requested electrical upgrades will meet industry requirements and are vital to attracting the target industries.
- Detailed cost estimates for capital upgrades.
- Documentation of engagement with local electrical utility providers for needed infrastructure.
- A detailed and documented plan for how infrastructure upgrade(s) will be accomplished is required, including, but not limited to:
 - Electrical capacity/load study for the target area and associated infrastructure, performed in concert with the electrical utility.
 - Preliminary engineering, deliverables, and engineer's estimate of probable costs for the proposed improvement.
 - If required, applicants must demonstrate that they have initiated the NYISO System Impact Study process per NYISO OATT Section 4.5.8 (Load Interconnection Procedures, incorporated via Manual 23). This process shall be mandatory for load projects that either (a) connect at 115 kV or higher and exceed 10 MW, or (b) are 80 MW or greater, regardless of voltage level.
 - Documentation demonstrating the ultimate ownership, operational, and maintenance responsibilities for the new/improved infrastructure.
 - Survey and/or title to all easements and acquisitions for utility alignments, substations, or associated footprint required to implement the improvement
 - Timeline for construction start and completion.

- Documentation of estimated lead times on equipment.
- Plan of finance.
- Other materials as may be required under a POWER UP program application.

VII. Awards

- Capital grants will be awarded to improve the power-readiness of existing, mature sites by funding infrastructure improvements.
- Soft costs are not to exceed 20% of total costs, including final design, preparation of bid documents, legal fees, and regulatory fee requirements.
- Awardees will be required to demonstrate matching funds. In addition to project readiness, priority will be given to applicants who demonstrate a higher percentage of matching sources.
- Grants proceeds will be made available on a reimbursement basis.

VIII. Additional Award Criteria to be Considered by ESD

In addition to meeting documentation requirements outlined in Section VI of the Program Guidelines, ESD will consider the following criteria when evaluating applications.

- Demonstration of industry interest, including the site meeting the target power requirements thereof.
- Demonstration of financial viability.
- Alignment with Regional Economic Development Council’s regional economic development strategy.
- Leveraged investment, such as private and local investment.
- Tenant commitments, such as signed letters of interest and/or contributions.
- Documentation of substantial site development progress, indicating a readiness for POWER UP investment.
- Maturity of project as determined in consultation with DPS.

IX. Non-Discrimination and Contractor & Supplier Diversity

- Under New York State Executive Law Articles 15-A and Article 3 of New York State Veterans' Services Law, ESD recognizes its obligation under the law to promote opportunities for maximum feasible participation of certified minority and women-owned business enterprises (MWBEs) and service-disabled veteran-owned businesses (SDVOBs) in the performance of ESD projects. The Recipient shall be required to use Good Faith Efforts (under 5 NYCRR §142.8 and 9 NYCRR § 252.2(n)) to achieve MWBE and SDVOB Participation. Additionally, ESD's MWBE and SDVOB Participation/Equal Employment Opportunity Policy will apply to this project. While ESD’s agency-wide MWBE participation goal is 30% and the SDVOB participation goal is 6%, specific goals related to the total value of ESD's funding will be established on a grant-by-grant basis.

X. Additional Information

- Up to \$300 million will be made available for capital grant funding, subject to appropriation.
- Awards will be allocated on a rolling basis until funding is exhausted.
- ESD may consider regional or geographic parity in allocating awards.
- ESD may require restrictions on the future use of awarded sites consistent with the purposes of their POWER UP grant terms.

XI. Contact and Technical Support

For more information about POWER UP program guidelines or to begin the application process, please email: powerup@esd.ny.gov