Introduction

The 16 undersigned organizations represent a broad spectrum of program implementers, electrification experts, data scientists, former Heat Smart administrators, and energy affordability, housing, climate, and health advocates. As such, we recognize the importance of designing and delivering an effective energy efficiency ("EE") and building electrification ("BE") portfolio of programs that will put us on track to achieve our climate commitments and the requirements of the Climate Leadership and Community Protection Act. In her 2022 State of the State address, Governor Hochul committed New York State to achieving two million 'Climate Friendly Homes' by 2030 and further built out her promise in her 2023 U.S. Climate Alliance pledge with 25 Governors across the nation. Governor Hochul has set the target for one million electric-ready and one million electrified homes by 2030, prioritizing at least 800,000 homes in underserved communities across New York.

In the July Order, the Commission required changes to improve energy efficiency and building electrification programs, and the utilities and NYSERDA ("program administrators") have responded with filings outlining an evolution of EE/BE programs. However, we are deeply concerned that these proposed program reforms are not enough to achieve Governor Hochul's commitments, the legal mandates in the Climate Act, or the recommendations of the Climate Action Council's Final Scoping Plan. Under all of the scenarios modeled in the Integration Analysis for the Climate Action Council's Scoping Plan, buildings sector emissions decline by 90 to 95 percent from 2020 levels.[1] In order to meet these commitments, at least 300,000 housing units per year would need to be weatherized and 200,000 housing units per year would need to be electrified between now and 2030.[2]

As proposed, the programs and budgets for the 2026-2030 New Efficiency: New York ("NENY") delivery period will fall far short because they are underfunded, they are not focused enough on households that need the most assistance (Disadvantaged Communities, or DACs, and low- to moderate-income, or LMI, households) and can benefit the most from upgrades, and they do not address the persistent and well-known barriers to EE and BE.

We appreciate this opportunity to share our recommendations for how we can reimagine the NENY portfolio of EE/BE programs to better address barriers, deepen program reach, increase uptake, and drive the needed positive impact.

Our recommendations center around two main programmatic design goals:

I. **Programs need to address on-the-ground conditions**
II. **Programs need to work well, especially for those who need them most**

[1] NYSERDA & DEC, Integration Analysis Technical Supplement, Appendix G to the New York State Climate Action Council Scoping Plan (Dec. 2022), at 32.
[2] NYSERDA & DEC, Integration Analysis Technical Supplement, Appendix G, Annex 2, see data here.

I. Programs need to address on-the-ground conditions

Successful program design will recognize and adapt to the realities and the decision-making timelines that make sense for people's lives and wallets. NENY programs need to evolve to be able "to meet the moment" and offer solutions that can capture what have otherwise been significant missed opportunities. For example, most homeowners won't replace their fossil fuel heating system until the one they have dies and then are in an urgent situation where they need to make quick decisions. With cost and complexity of process being major barriers to behavior change, a lot of homeowners will opt to replace their existing fossil fuel equipment with similar equipment, thus locking in another 20 years of fossil fuel based heating in that building. In order to reduce this risk, programs need to ensure that EE/BE retrofits, from application to project completion, are designed around these situations and provide as quick and smooth a process as possible.

We therefore recommend the development of a statewide "Emergency Replacement Protocol" that would be designed to help meet these moments of urgency by providing an easy to navigate process and meaningful incentives that recognize the often prohibitive cost of equipment replacement and any needed weatherization work or home retrofits.[3]

We also recommend a plan for community outreach and education that is jointly coordinated between community based organizations ("CBOs"), contractors, and program administrators. Proactive outreach to buildings with heating systems nearing the end of their life could also help transition homes off of fossil fuels. This could be facilitated by the creation of an open source statewide building HVAC database documenting information about the building typology, heating system, and meter readings. This tool should also include filters for Disadvantaged Communities, income, and Heat Vulnerability Index so that state agencies can better streamline access to resources in their outreach communications. Strategic opportunity maps and tools, with guardrails for protecting privacy and protection against predatory marketing, can help contractors, program administrators, and community-based organizations ("CBOs") identify households that might be due for equipment replacement soon. Another situation in which homeowners should be given a choice over their home's heating and cooling system should be when the gas lines leading to their property require emergency replacement services. Instead of making an automatic assumption that the service line must be replaced, homeowners should be educated and informed about their alternatives to gas. A plan

[3] For example, Queens County residents suffered space heating and domestic hot water loss due to catastrophic flooding due to remnants of Hurricane Ida on September 1, 2021.The Ida Emergency Electrification Pilot Working Group/Task Force (IEEPWG) comprises over 15 staff representing 8 agencies, non-profits, and administrative contractors and was formed to provide emergency heat replacements for affected residents. and was formed to provide emergency heat replacements for affected residents. A similar working group could be formed to address the formation of an Emergency Replacement Protocol and could prevent thousands of new fossil fuel furnaces a year from being installed.

for outreach, education, and retrofit in emergency situations must be jointly coordinated by CBOs, contractors, and program administrators.

Addressing on-the-ground conditions and meeting moments of urgency will also require adequate, flexible, and immediately available funding. This is especially the case in LMI households, DACs, and BIPOC communities. Some building owners may be ready to install multiple measures all at once, while others will need to sequence retrofits more slowly over time. Programs should provide enough funding and flexibility so that building owners can move forward with as much of a retrofit as they are able to do, and programs should also allow building owners to come back to a program for money if they need to take their retrofits more slowly due to life circumstances.

A known foundational problem within LMI programs like EmPower+ is lack of adequate funding per project. Programs for low-income households need to be expanded to encourage higher uptake. This means more funds for LMI programs overall, as well as an increased per-project cap. LMI households can quickly reach the cap if they are contending with a significant amount of needed weatherization and insulation work. Contractors are reporting that with inflation and the overall increased business costs, insulation projects under Empower+ no longer make business sense. Incentive stacking will also be crucial to helping low-income households, whose cost for retrofitting is often higher than the average "market-rate" household.

While some households will need flexible funding and incentive stacking to make a comprehensive retrofit happen, others will need entirely new pots of funding to cover remediating health hazards, structural repairs, and electrical work that must happen before weatherization and electrification can occur. These are significant barriers in the LMI and DAC sectors, and currently no program seeks to remedy them. While NYSERDA's response has been to rely entirely on incoming Inflation Reduction Act ("IRA") rebates and grants to fund the needed pre-work, we are concerned that IRA funds will not be sufficient. The IRA has yet another round of requirements, rendering the application process for these additional funds disjointed and confusing for households and contractors. Furthermore, the IRA funds cannot cover remediations to improve home health and safety, like toxic hazard remediation, and even if it did, there is still no concrete process or timeline for obtaining these funds. While the IRA might bolster the funding available for EmPower+ specifically to address these necessary remediations, EmPower+ must also be expanded in the meantime, so that we have a program ready and in place by the time IRA funding comes through.

Finally, in recognition of the falling rates of homeownership and the inability of these programs to reach and benefit tenants, **we recommend that program administrators be expected to create more effective programs specifically designed to address the needs of renters and landlords.** For example, in the 1-4 family sector, energy efficiency programs could be paid for using tariff-based on-bill recovery models where the improvements and payback are tied to the meter.[4]

[4] Noting that in the multi-family affordable housing sector, rent stabilization laws prohibit additional costs to the tenant. Therefore, Staff would need to explore how to implement bill neutrality for this sector.

II. Programs need to work well, especially for those who need them most

Applications must be easy to access and simple to complete. Too often, customers and contractors are expected to make multiple applications for multiple different programs, with duplicative information being requested at each stage and with a high error rate. For example, approximately 40% of applications for the NYS Clean Heat program include errors that require corrections from contractors.[5] Consolidating and simplifying the various application processes into one uniform application for as many programs as possible will significantly reduce enrollment burdens. This would also significantly improve the experience for households trying to make improvements to their homes. Having to navigate multiple applications is onerous and costly. Applicants end up paying contractors for the additional administrative work, thereby eliminating the value of the incentive for smaller buildings.

We recommend a common application intake portal for customers and contractors, that works across all program administrators. There are examples of other states pursuing tools like this through legislation.[6] A coordinated effort across the State will also be necessary to improve program deployment models such that programs can be seamlessly "braided" together. A unified application would also assist in collaborations with other social service agencies, making referrals much easier.

We also recommend allowing cross-acceptance of audits for pre-inspections in pursuit of streamlining program applications. Given that the same property may be engaging with multiple entities for incentives on energy efficiency and electrification measures, we urge the Commission and utilities to allow the same energy audit to be used for as many programs as possible, particularly in the pre-inspection phase. This will save time and money for all parties involved. For example, in some cases, there is a three month or more waiting list for inspections. We are aware that an LMI Housing Development Fund Corporation ("HDFC") building in Harlem waited an entire year for NYSERDA's approval of a FlexTech audit because NYSERDA had different requirements than the utilities. Allowing cross-acceptance of audits will reduce the number of additional inspections and will reduce wait times.

Simplified application processes should be designed with the direction of contractors and CBOs to avoid additional complications with program rollouts. For example, the rollout of the combined application for EmPower+ introduced new barriers for New York City contractors to complete jobs. Contractors report payments are significantly delayed, in-process project applications have been lost in the transition, approval turn-around time has increased (because the "streamlined" application now has two companies coordinating it, not one) and the new system no longer provides a way for contractors to monitor what stage their application is in so they can plan ahead for their business needs. Any streamlining should be guided by a robust

[5] NYS Clean Heat 2022 Annual Report at p.12

[6] For example, CA SB 755 calls for a central website for state, local, utility EE/BE programs, affordability programs, and financing, where customers are able to apply directly through the website.

co-design process led by impacted stakeholders and evaluated through in-the-field testing so that changes and improvements can be made quickly and easily.

Program stability and durability is also critical to ensuring increased uptake of energy efficiency and electrification programs and products. A long-term, durable, heat pump incentive program is necessary in order to create stability and certainty for all stakeholders. The start and stop of previous heat pump incentive programs has caused major disruption and hardship for contractors, participating households, program administrators, community-based organizations, and has negative effects on the product supply chain which can drive up costs and increase business risk. Programming gaps in heat pump incentives is a huge missed opportunity, especially for LMI households, because heat pumps can save many LMI customers money on their energy bills, especially those switching from propane, kerosene, fuel oil, or electric resistance heating.

We also recommend greater transparency and predictability for contractor payments. One of the biggest complaints that our organizations have heard from contractor partners is that the payment process is extremely slow. This is a significant barrier for businesses who may not be able to sustain big delays in their cash flow, especially disadvantaged small firms that may want to participate in these programs but can't compete against larger firms. It also narrows the pool of contractors and therefore the number of households that could be served. We suggest that Staff expand incentive progress payments for multifamily projects. We discuss this in greater detail below, in response to DPS Staff's question regarding program design to address barriers to electrification.

Finally, given that 800,000 of the two-million climate-friendly homes pledged by Governor Hochul must be in DACs, NYSERDA and the utilities should be confronting the most well-known barriers in these sectors in order to scale up the rate at which they are reaching LMI/DAC residents. **We remain deeply concerned about the continued lack of effective programs for the LMI sector and in DACs.** NYSERDA and the utilities' proposals have little to no novel proposals for how they would engage these specific constituencies and combat the historic underperformance of NENY programs in these sectors.

DPS Questions:

I - General quality & responsiveness of the Proposals

- **Which proposed deviations from the Strategic Framework do you support or oppose and why?**

- Generally, we are more supportive of these deviations from the strategic framework when adopted by low-income tenants. This is especially true in multi-family units where it is far less likely that the decision-making power is in the hands of a low-income household.

- Necessary electrical system upgrades should be included as strategic for all projects including partial electrification projects to prepare for full electrification in the future.

Electrifying space and/or water heating in older buildings often necessitates upgrading both in-front-of and behind-the-meter electrical infrastructure to meet increased electric load demand. The cost of behind-the-meter electrical upgrades can be prohibitively high and poses a major barrier to widespread building electrification. This cost should not derail the State's efforts to achieve two million electrified or electrification-ready homes by 2030. Creating incentives to drive down the cost of behind-the-meter electrical upgrades will help make electrification feasible for many buildings where it would otherwise be impossible.

- Lighting should only be considered as part of a comprehensive package for LMI buildings.

- **Collectively, do the EE and BE proposals include a reasonable plan for coordination and collaboration to ensure cohesive portfolios that reduce potential redundancy and overlap amongst the program administrators? For instance, are the roles of the utilities and NYSERDA appropriately distinct; Is it clear how a customer can seamlessly participate in complementary programs offered by different Program Administrators within overlapping territories? If not, what would you suggest?**

- While the proposals signal the intention to include some uniform applications and assessment tools across utility and NYSERDA programs, we do not feel that there is a sufficient plan for coordination and collaboration between NYSERDA and the utilities. Proposals have been light on details of how the program administrators will work together.

- We suggest greater data sharing between NYSERDA and the utilities, as well as an easy to navigate "one-stop-shop" incentive database and portal and a unified application across the State so that customers can better understand and navigate the different incentive programs, especially those in overlapping territories. Additionally, most contractors work across multiple utility territories. Contractors will also require consistent program design around interventions, incentive levels, method and timeliness of incentive payments. It has been nearly impossible to get utilities to align on and execute coordinated program design, and we are concerned that without a uniform framework, programs, tools, incentives, and applications will continue to be haphazard and divergent.

- This dysfunction has implications for ratepayers as well; utilities likely plan to hire different implementation contractors to run these programs and pass these costs onto ratepayers. Previously, NYSERDA ran these programs, and with a single implementer, there tends to be economies of scale considerations with respect to the administrative and implementation costs.

- One example of coordination could be found in National Grid and Con Edison's application for the Statewide Affordable Multifamily Energy Efficiency Program ("AMEEP"). Both of these utilities use the same application for the Statewide AMEEP and this should extend to include the statewide Clean Heat Program, and any NYSERDA pilot for a Multi-Family building. This could be done now as a step towards the important goal of making applications simple and easy with quick approval that would reduce administrative burden and costs.

- Another example where effective coordination is necessary is with NYSERDA's proposed plan to expand the subsidized Flex Tech building assessment program to serve all programs, removing the necessity for multiple building assessments unless required by a particular measure. This plan requires a clear design and implementation strategy engaging all program administrators (utilities) to facilitate use in NYSERDA and utility programs including the Inflation Reduction Act's (IRA) Home Energy Rebate Programs, the Home Efficiency Rebates Program, and Home Electrification and Appliance Rebates Programs and other programs that may arise from new funding sources such as the forthcoming New York State Cap-and-Invest Program. However, we have seen Flex Tech funding take approximately a year to be approved and we note that there are currently staffing shortages which program administrators should also consider. Customers need transparency in this process to ensure that their participation does not drop off as a result of poor coordination and communication from program administrators.

- It is also important to note that currently the statewide Clean Heat program offers no added incentive for LMI buildings. NYSERDA is in the process of developing a program proposal for the IRA Home Energy Rebate Programs for multifamily buildings that may provide incentives to braid with Clean Heat. This will require good integration, especially in the downstate service territories, as well as strong tenant protections to avoid passing on the cost of the install onto tenants, which accelerates displacement and gentrification. Some tenant protection examples include requiring tenant signatures on paperwork, and program clauses that garnish incentives if the cost is passed down during the project lifecycle.

II - Proposed Portfolios

- **Do the proposal(s) sufficiently identify and address barriers to adoption of energy efficiency, including weatherization, and/or building electrification? Describe other approaches and/or program designs, if any, that you believe could better address these barriers.**

Cost Barriers

- The strategic framework of shifting to more expensive envelope efficiency measures and electrification that often require electric system upgrades is more costly than the focused measures in earlier orders and thus require more funding. This approach is essential to meet the CLCPA goals and Governor Hochul's goal of one million electrified and one million electrification ready units by 2030. And while these measures are more in line with the building decarbonization pathways outlined in the Scoping Plan, the total proposed budget still falls far short of what is needed. According to think tank Win Climate's comprehensive review of NENY, the $2.4B spent on EE measures under NENY between 2020 and 2023 amounts to approximately 10% of the estimated $20B in public incentive spending needed during that period. Despite the $8 billion in planned NENY spending between 2024 and 2030, approximately $45B in public incentives will be needed during that period.[7] Under current proposals, then, today's cumulative funding gap of $18B is set to grow to $56B by 2030. Previous work by Win Climate shows that the Inflation Reduction Act will only fill a small fraction of this gap, due to the law's modest incentives for energy efficiency and building electrification.[8]

- Even Con Edison's supplemental proposal does not provide sufficient funds to stay on track with their share of a CLCPA-compliant pathway. Given this reality, staff should review the total accumulated resources available to attain CLCPA goals for building decarbonization including the IRA funds, Regional Greenhouse Gas Initiative funds, and projected NYS Cap-and-Invest funds, along with any other potential resources.

- Funding should be made available to address health and safety barriers to energy efficiency and building electrification upgrades for all affordable buildings. Many buildings have health and safety hazards (mold, asbestos, lead and other safety measures) that must be addressed before building electrification upgrades can be made. This work will require additional funds beyond the restricted System Benefits Charge fund. NYSERDA's direct investment programs to HCR and HPD support deep retrofits for affordable buildings undergoing renovation that may provide funds to address health and safety issues that are often barriers to energy upgrades.

- Targeting buildings with more expensive fuel oil or electric resistance systems provides great opportunity to electrify without increases in operating expenses that can sometimes occur with unmanaged replacement of gas fueled systems. This could be as simple as a specific, targeted marketing pathway within the Clean Heat program. Similarly, 14% of single-family homes have electric resistance water heaters with the electric infrastructure and footprint to easily install Domestic Hot

[7] See Win Climate's new report "New Efficiency New York: An appraisal of past and proposed spending." The public spending estimates of $20B for 2020-2023 and $45B for 2024-2030 were derived from Scenario 3 of the Scoping Plan's integration analysis, and assuming that 20% of the total building decarbonization investment outlined in that scenario would be covered by public funds instead of private outlays. Available at: https://pub.climate.win/neny_report.pdf

[8] See the recent report from Win Climate, "Decarbonizing New York State's Homes."

Water Heat Pumps. They require lesser incentives but increased contractor education and financial and other drivers to spur change and tilt the economics in favor of heat pump installation.[9]

- We are concerned with the lack of adequate funding for delivered fuel buildings that are not eligible for SBC gas measures. Addressing the need for more integrated EE and BE programming for more comprehensive energy solutions requiring modifications in fuel specific frameworks was one of the Commission's cross cutting issues in the July 2023 Order. The Commission's order identified this problem, referencing the fuel neutrality of the Clean Energy Fund supporting NYSERDA activities. The Low Carbon Pathways Program, open to both affordable and market rate buildings, provides fuel neutral incentives for building envelope efficiencies and electrification. They allow braiding of Clean Heat incentives with their heat pump incentives. However, this program is set to end in 2025 and the fuel neutrality eligibility has not been well known. Clean Energy Fund monies should be provided to the downstate utilities that will continue servicing the affordable multifamily market to ensure full assistance to delivered fuel buildings. We understand that Con Edison under the AMEEP program has expanded eligibility for envelope and other measures that would save electricity to delivered fuel buildings but not for gas system efficiency upgrades. This program should also be available to non-LMI buildings. A program should be developed to fund heating system upgrades guided by the requirements of New York City's Local Law 97 of 2019.

- Over the course of the programs, NYSERDA and the utilities are collectively proposing to spend $2.715 billion on heat pumps. The amount proposed for building shells is unclear, due to administrators' continued practice of reporting program budgets without revealing what measures they contain (see our comments in the metrics section). While NYSERDA and the utilities propose to spend $1.363B on explicitly-named weatherization programs, they also propose $994M for strategic measures across other programs, without specifying what share of this would be spent on building shell measures.[10] Regardless, DPS should consider increasing the building shell and pre-electrification budget to better complement heat pump installations and note that several utilities have proposed integrating weatherization offerings with their Clean Heat programs.

Administrative Barriers

[9] NYC mandates phasing out No. 4 Fuel oil by 2027 providing great opportunities to invest in DACs as 61% of the 1,659 buildings exclusively using No. 4 oil are classified by NYCDEP as being in EJ or potential EJ areas. See also https://www.nyc.gov/assets/dep/downloads/pdf/air/ll97-no-4-fuel-oil-phase-out.pdf.

[10] See Win Climate's new report "New Efficiency New York: An appraisal of past and proposed spending." Available at: https://pub.climate.win/neny_report.pdf

- It is important to have uniform applications with quicker approval processes as well as uniform assessment tools for all programs.

- There needs to be a clear menu of funding and financing options for measures and building types that can be accessed over time and braided/stacked together.

- Contractors/customers need progress payments to address long delays in payment processing and to alleviate upfront costs. Without progress payments, projects are forced to seek out expensive bridge financing to carry them through construction until the full incentive is paid out. Moreover, because of the complexities of affordable housing financing, incentives that are paid out post-construction can cause difficulties for owners, who have already paid for the project and now have to justify this infusion of cash from the incentives. Incentive progress payments made at certain points throughout the project will also greatly improve the accessibility of these rebate programs. We have seen that the progress payments in the Affordable Multifamily Energy Efficiency Program (AMEEP) have been critically helpful to retrofit projects, especially in affordable housing, that would otherwise struggle to cover the full cost of construction.[11] NYSERDA and the utilities could also opt to have the partial payments tied to the installation of specific measures. Expanding thoughtful and well-designed incentive progress payments would make a significant difference in the usefulness of the rebate programs to energy efficiency projects across the state.

Project Timing and Flexibility

- Programs must consider the timing of system replacements that usually occur during a renovation or when the system fails. The practice of capital planning supported by Flex Tech programs to include energy efficiency, envelope upgrades, and system electrification should be encouraged in all buildings and incentive programs should allow for uniform, simplified applications for phased work.

- While Consolidated Edison, for example, is proposing multiphase funding for building owners planning to electrify within two years, that is still a short time period for a lot of larger buildings and could create added burden when paired with slow contractors or delayed paperwork. This could prevent interest in the program if not streamlined or extended.

- It is important to have a state-wide “Emergency Replacement Protocol” in place to meet homeowners at the typical decision points when their existing heating system has failed or is nearing its end of life. This can include loaning heating systems to provide interim heat coverage while the necessary EE/BE work is being completed. Other states have programs designed to assist in the replacement of a failed fossil

[11] AMEEP allows for 40% of the total incentive amount to be paid out when 60% of the measures in the scope of work have been completed.

fuel system with clean heat systems by providing “loaner heating mechanisms" while the clean heat or domestic hot water system is planned and installed.[12]

Lack of Effective Outreach and Education

- It is important that both maintenance contracts and adequate consumer education be built into electrification projects to ensure proper maintenance and operation of installed technology. This is essential for ensuring efficiency and lowest operating costs. LMI residents who get grants for heat pumps should also receive funding that covers regular servicing and maintenance of the heat pumps, preferably by the contractor who installed them. Terms for said service and maintenance could be agreed upon in the installation contract, which should include guardrails to prevent service contracts that lock customers into a predatory contract. We have unfortunately seen lease arrangements for HVAC that charge an all-inclusive fee every month for years, and end up being more expensive than addressing occasional maintenance needs as they arise.

- The Office of Temporary and Disability Assistance’s (“OTDA”) “clean and tune” and “repair or replace” programs is a good starting point. We recommend that DPS and NYSERDA work with OTDA/OTDA to ensure HEAP and other financial assistance is available to low-income heat pump users (who should be auto-enrolled into any LMI heat pump bill benefit). This will require additional funding to the HEAP program, which we recommend in order to introduce protections in case of bill impacts from electrification.

- In both 1-4 family and in multi-family, coordination with OTDA regarding changes to HEAP benefits is critical. Heat Pump heating is not currently considered in the HEAP model and therefore, customers who switch their heating may lose the crucial energy assistance they receive from HEAP. For example, under the current HEAP State plan, income eligible households whose primary heat is oil, kerosene, or propane can receive a regular HEAP grant of $900 (plus applicable add ons). Whereas income eligible households whose primary heat is electricity or natural gas can receive a regular HEAP grant of $400 (plus applicable add ons).

- NYSERDA doesn’t incorporate other clean energy market actors into its general awareness campaigns. There are many market actors eager to participate in general awareness activities that will accelerate the market transformation necessary to achieve the State’s goals. NYSERDA’s proposal does not include other market actors in their plan, including the regional clean energy hubs that will largely be charged

[12] In the San Francisco Bay Area, Barnett Plumbing received a grant from TECH Clean California to pilot a DHW heater loaner program to provide time to design and install a DHWHP. They provided 149 loaner heaters during the 12-month pilot and are continuing to offer the service building the approximately $1,000 cost into the overall DHWHP installation cost supported by incentives. The City of Palo Alto and some Regional Community Choice Aggregators are now planning similar programs.

with program implementation. The Commission noted that many market actors have their own marketing capacity and are making their own investments in outreach, education and marketing. The Commission expects NYSERDA to coordinate with these various clean energy market actors and even went so far as to suggest that maybe market actors are best positioned to provide the general awareness solution.

- The Commission should require NYSERDA to include other clean energy market actors in the design and execution of general awareness campaigns and NYSERDA should expand their 'Outcomes and Metrics' to include measures of how well they incorporate other clean energy market actors and a measurement of how many digital referrals NYSERDA receives through third-party sources and websites.

Tenant Protections

- In multifamily units, where landlords will likely adopt submetering among tenants, it is critical that OTDA and DPS engage with landlords and properly monitor projects that shift the cost of heating and cooling onto tenants. It is essential that landlords ensure their HEAP-eligible residents get enrolled into HEAP and receive an adequate reduction on their submetered electric bill.[13] Ensuring that experts would be able to work with tenants in engaging with landlords could provide a great deal of confidence around programs, which is currently notably absent, in many low-income communities. Except for rent-stabilized units, there is no protection for tenants if landlords shift the cost of cooling onto a tenant (like switching from a centralized air conditioning system to electrified heat pumps). This could leave tenants open to large electric bills without a reduction in rent.

New York City Barriers

- Reports from previous years of NENY programs show very low program uptake in New York City ("NYC"). Downstate participants make up just 7-8% of all program users. The low incentive amounts and project caps do not adequately reflect the higher project costs in NYC. Additionally, the NYSERDA-run Empower+ Program does not provide the coverage needed in NYC for 1-4 family homes. Another barrier to participation, especially in NYC, is the use of state median income rather than area median income. The cost of living and doing business in NYC is higher than most other parts of the State. By using state median income, rather than area median income, tens of thousands of low-income NYC households are excluded from the

[13] HEFPA directs DPS to require the following: Owners must notify tenants when they intend to convert from master meters to Residential Electric Submetering. DPS will review projects on a case-by-case basis that shift the cost of electric heat to the resident. Submetering must comply with HEFPA rules. Unfortunately, DPS does not consistently monitor master meter conversion projects, and nonprofit organizations, like the Public Utility Law Project, are often the entities working to hold landlords in compliance, instead of DPS.

program and unable to afford the cost of efficiency and electrification work. This is also true for some household sizes in Long Island and certain upstate cities.[14]

- To encourage better uptake of Empower+ in NYC, we suggest changing the low-income incentive threshold to match the moderate income threshold rule, which qualifies households using the higher of AMI or SMI, based on the community.[15] This would also allow for incentive braiding with HPD's Homefix and the Senior Citizen Homeowner Assistance Program (SCHAP), both of which use AMI. Currently, the burden of finding all applicable incentives falls on contractors and homeowners. A coordinated effort by the state to engage and fund those projects would ease the work that contractors and homeowners have to do to coordinate the current structure of the funding.

- **For LMI, are barriers and opportunities unique to naturally occurring and regulated LMI and affordable housing articulated? If not, please identify barriers and opportunities that were not addressed in the proposals.**

- Please also see the answers above.

- Electrical infrastructure upgrades are an absolutely critical piece to addressing barriers to electrification in low- and moderate-income buildings. As mentioned above in our reply to Staff's question about deviations from the Strategic Framework, electrifying space and/or water heating in pre-war buildings often necessitates upgrading behind-the-meter electrical infrastructure to meet increased electric load demand. The cost of behind-the-meter electrical upgrades can be prohibitively high and poses a major barrier to widespread building electrification, especially in LMI households. Therefore we encourage the PSC to support utility proposals for increased incentives and their plans to develop incentives for electrical infrastructure upgrades required for building electrification.

- Rebates are crucial for LMI residents and should be prioritized (especially for lowest-income), but it is impractical to rely on rebates alone to meet all EE/BE needs.[16] In addition to low or zero-interest financing, key features of an ideal financing program include no up-front costs/down payments and rebates offered by the contractor at the point of sale. This ensures that customers do not need to be

[14] The Pratt Center for Community Development recently released a report detailing the impacts of this policy decision. See https://www.prattcenter.net/uploads/0324/1710276811468823/Empower_SMI_v_AMI_mapsFinal.pdf
[15] https://www.prattcenter.net/uploads/0324/1710276811468823/Empower_SMI_v_AMI_mapsFinal.pdf
[16] Numerous reports from the first year of operation of the Clean Energy Hub program indicate that current programs are inadequate, and the proposed changes do not sufficiently close that gap. One CBO staffer said "the quotes we are seeing for whole home ASHP systems are in the $25-50K range now, sometimes higher. The incentives rarely come close. The decrease in incentives for fossil fuel furnaces from the utilities, Empower+ and changes to program rules etc has made many low income households unable to replace their heating systems when broken. They are surviving on space heaters and gas stoves, further exacerbating the energy affordability crisis.

aware of and apply for an offering separately, greatly streamlining outreach and education efforts.

- Any funding should come with strong consumer protections and transparency about those protections, including flexible repayment terms, loan forgiveness, and guardrails to prevent predatory marketing. An equitable financing design will also ensure that the funds reach real LMI and affordable housing, such as low-income cooperatives. It also means working with folks with financial arrears, physical constraints, and bad debt-to-income ratios, who should not be left out of these upgrades due to previous hardships.

- It's also important that a financing offering integrates seamlessly with available rebates/incentives to maximize overall benefits, which could be achieved by creating an on-bill repayment or financing offering within the EE programs. For example, in New Jersey, utility program administrators have implemented successful zero-interest on-bill repayment offerings where the lending is provided by third party companies and the interest rates are subsidized with utility ratepayer dollars as part of the EE program budget.

- **How effective are the proposals in outlining strategies for electrifying LMI homes and affordable housing, while mitigating the potential for increased energy burden for lower-income households? Please identify any additional information the Commission should consider to maintain energy affordability when electrifying LMI homes and affordable housing.**

- Energy affordability after electrification in LMI housing is not sufficiently addressed, despite being acknowledged as a primary barrier. Ongoing incentives, subsidies, and support for low-income customers should be a priority.

- Practical, regulatory, and/or legislative changes may be necessary surrounding HEAP access and submetering rules in order to preserve vital benefits for low-income customers.

- Each regulated utility has a low-income monthly bill discount program, known universally as the Energy Affordability Program, or EAP. EAPs are ratepayer-funded and have a capped budget of no more than 2% of the utility's revenue. In their work, The Public Utility Project ("PULP") came across two important concerns with the EAP programs. First, the EAP programs are under-enrolled. Many customers who are income eligible for the programs are not enrolled because New York State has not implemented auto-enrollment, and therefore do not receive the discounts. The second is that even at current enrollment levels, many utilities reach the 2% budget caps they must adhere to. If the utilities cannot provide discounts to all who enroll without going over the 2% caps, they will be forced to decrease discount levels for participants.

- Finally, a novel Heat-Pump Rate Design could be instrumental in incentivizing homes towards electrification and the adoption of emissions-free heating and cooling. DPS staff should work with the utilities to develop and implement a rate design that ensures low-income households will not experience energy burdens greater than 6% following the installation of a heat-pump (similar to the EmPower+ Energy Affordability Guarantee). For example, some states have Percentage of Income Payment Plans where your electric rates are aligned with your income. The Commission should also work with utilities to develop rate classes for electrified customers regardless of income that acknowledge the load profiles of electrified customers and their impact on the electric grid. Heat-pump-friendly rates are key to ensuring that the average household's energy bills go down instead of up once they install heat pumps.[17] They are also essential to minimizing peak load growth, and therefore grid investment, under heavy electrification scenarios. This is key to driving down electricity rates as the State electrifies. If minimizing peak load growth causes grid investments to grow slower than total electrical consumption, electric rates would go down, further improving heat pump affordability and accelerating installations.

- **Within the budget guidelines indicated by the Order Directing Proposals, do the proposals reflect an appropriate budget and resource allocation among program areas? If not, how should resources be allocated differently?**

- The proposal budgets do not allocate enough money to address the barriers to building envelope work, like toxic hazard remediation, foundational issues, water intrusion, roof repair, and more. The proposed reliance on the IRA funding to fill this gap is relying on a fairly small slice of the pie to do something pretty big. This is part of a larger issue; program administrators are conceptualizing programs to the scope of prescribed budgets in NENY not the actual scope of the problem. These prescribed budgets seemingly are only gauging future program delivery and performance through the lens of the past poor performance of NENY within LMI households and DACs. This artificially narrows the lens through which we can actually understand the gravity of the work ahead and doesn't capture the full scope of resources needed to fully decarbonize the building sector.

- **Do the proposal(s) demonstrate the ability for utilities and NYSERDA to increase the enrollment of low-income customers for energy efficiency services? If not, what would you recommend? For instance, are there untapped referral opportunities, etc.?**

- This is another area where OTDA collaboration and automatic enrollment into programs could make sense. While NYSERDA's plan notes that OTDA provides some funding to LMI programs, it is not explicitly stated whether OTDA provides referrals to NYSERDA. In events of heating system failures, referrals for possible electrification should be made when a customer is applying for assistance through OTDA.

[17] Sergici, S., Ramakrishnan, A., Kavlak, G., Bigelow, A., Diehl, M. (2023). *Heat Pump–Friendly Cost-Based Rate Designs* [White Paper]. The Brattle Group. Retrieved from: https://www.esig.energy/wp-content/uploads/2023/01/Heat-Pump–Friendly-Cost-Based-Rate-Designs.pdf

- Programs need to include a streamlined approach for LMI households to be approved quickly for LMI programs; LMI households must provide a lot of personal information before getting into the pipeline. These households are required to produce this information repeatedly for different agencies, which is burdensome and inefficient. Clients should be able to indicate that information already submitted can be shared with the NYSERDA servicer either at the time the information is submitted to an agency or retroactively, using a 'no wrong door' approach whereby those of us who are paid to provide services are doing the work rather than the client. Programs also do not consider energy burden or high-cost of living locations where people are overpopulated into units. This can give the false appearance of a high income unit, when in fact many people are living there because they can't afford to live anywhere else.

III - Disadvantaged Communities

- **Do the proposals outline strategies for effectively increasing access to energy efficiency and building electrification programs for disadvantaged communities? If not, please identify strategies that should be considered.**

- Programs need to evolve to better fit the landscape within which they are being deployed. We would like to see better proposals for effectively addressing the needs of DACs. Some utility proposals seem to shift the responsibility of DAC investment to NYSERDA, since NYSERDA will be running the 1-4 family homes in the downstate market. However, since Consolidated Edison and National Grid have been assigned to administer the downstate multifamily LMI program, many multifamily DAC residents are at risk of being left behind because they are not explicitly included in their proposals. Also, NYSERDA's proposals lean too heavily on outreach and education rather than on addressing the physical barriers to weatherization and EE in DACs.

- Programs need to evolve to better fit the landscape within which they are being deployed. Utility proposals have not adequately addressed DACs. There are equity concerns about different utilities offering different levels of programming in different DAC communities, depending on the service territory. The Commission should approve special electric rates/tariffs for low income gas customers who are converting to a heat pump, for example to help address the economic barriers to electrification.

- NYSERDA's proposals lean too heavily on outreach and education rather than on addressing the physical barriers to weatherization and EE.

- Additionally, given the need for more targeted programming within DACs, we are disappointed to see the geo-eligibility approval processes ending. While we understand that federal funds cannot be spent in this way, program administrators could continue geo-eligibility in programs using solely SBC funds in order to achieve the high levels of enrollment seen under the geo-eligibility pilot. Geographic-specific incentives (e.g. for flood zones, high emissions areas, etc.) could be considered for DACs that are more

exposed to environmental injustice. Geo-eligibility would also facilitate more efficient community-scale interventions by greatly reducing the income-verification burden (both administratively, for CBOs communicating the opportunities, and for households who want to participate) in whole neighborhoods. Community-level (A.K.A. “neighborhood scale”) planning for decarbonization could also bring down the costs of heat pumps and other retrofit materials, as bulk purchasing would be more feasible and sales more predictable. A model like this could even naturally lead into community-ownership opportunities for solar or microgrids, as communities have more conversations about the impacts from climate change and other opportunities for wealth building and bringing down the cost of electrification.

IV - Flexibility

Which proposal(s), if any, provide a reasonable structure for providing flexibility to program administrators to shift targets and/or budgets across years while maintaining accountability to appropriately manage their portfolios and ensure acceptable progress toward the underlying objectives of the Commission’s EE and BE strategic framework?

- We support funding flexibility to support popular programs so that they will not be closed as a result of successful uptake to provide consistency for building owners and contractors as they plan their projects. Please also see the answer above in Part II, recommending addressing project timing and flexibility needs as known barriers.

V - Metrics

- **Should the Commission establish the same or different metrics for different program types (e.g., EE programs, BE programs, Weatherization programs, Market Transformation programs), and should those metrics be common across all Program Administrators? Which metric or metrics should be used as a key performance indicator from which target(s) should be established, and why? What are the relative strengths and weaknesses of the specific metrics identified within the proposals? Are there other metrics you would recommend? How should the success of the LMI portfolio and its individual programs be measured? Are there specific metrics that should be considered to indicate that the programs are improving energy affordability and increasing access to clean energy solutions?**

- Programs need to incorporate better metrics for measuring success and ensuring accountability. NENY program metrics and targets currently do not value the non-energy health, safety, and comfort benefits from weatherization, pre-weatherization, and electrification. Additionally, we need to properly value energy efficiency and electrification investments that provide system benefits, such as projects that aggregate demand reductions to allow the retirement of peaking electric generators that produce toxic air pollutants in DACs and non-pipeline alternatives (NPAs) projects that strategically downsize the costly and polluting fossil gas system.

- We need to change how we measure program effectiveness to ensure we are capturing the benefits and effects of programs properly. Some examples include adding metrics

like housing units weatherized, or housing units electrified, and adopting health and safety metrics that account for improvements in indoor air quality, reduction of energy burden, home comfort, and heat/cold vulnerability.

- Metrics and quotas created with these benefits in mind will spotlight project completion for low-income households, who have seen little uptake due to barriers which have not yet been addressed. For example, a metric that measures which interventions and programs result in bill savings for residents and tenants allows us to evaluate which programs and policies have been most effective at driving these savings. Renters, low income homeowners, and people residing in DACs all stand to gain financial benefits from energy efficiency improvements to buildings, but we currently don't have a way to measure program efficacy from this perspective.

- We also don't have concrete projections of how many DAC residents these program proposals are anticipated to reach and as such, we are unable to determine whether the future NENY programs will comply with the equity mandate in the CLCPA. But a look at historical and proposed NENY spending is suggestive: according to Win Climate's comprehensive review of NENY, only 18% of the $2.4B spent on direct EE measures between 2020 and 2023 went to LMI households. The outlook going forward is only slightly improved: 23.2% of the $6.4B in proposed spending on EE measures (between 2026 and 2030) is aimed at LMI customers.[18] And while not all LMI households live in DACs, neither are all DAC residents LMI, and we have no commitment from the utilities that 40% of all NENY spending should go towards DACs. Staff should ensure that DACs become a formal metric that is measured in each utility report and proposal, with the expectation that 40% of all funds spent by a utility for NENY are spent on DACs.

- For specifically measuring the energy benefits of interventions, we urge the PSC to approve the shift to lifetime MMBTU calculation, so long as it does not replace or undervalue metrics evaluating health and safety and other non-energy benefits. When allocating capital expenditures and measuring the success of individual programs, the best measure of the result is the overall energy savings over the life of the investment, not what will come in the first year. In addition, we urge NYSERDA to promulgate a carbon emissions metric and for utilities to adopt the metric as well. MMBTU savings do not always equate to carbon savings for electrification projects, which prevents adequate incentive to accrue to electrification projects. A carbon emissions metric will help identify impactful solutions that directly address the GHG emissions reduction aspect of our CLCPA goals.

- Additionally, more data and transparency is needed from the program administrators to help effectively evaluate and measure the success of these programs. For example, for their Regional Assessment and Barriers Analysis ("RABA") reports the Regional Clean Energy Hubs are requesting outcome data - such as the number of LMI customers

[18] See "New Efficiency New York: An appraisal of past and proposed spending" by Win Climate. Available at: https://pub.climate.win/neny_report.pdf

served - from earlier program contractors. This information should be made publically available and updated quarterly.

- Beyond aggregate metrics, we recommend the Commission require project-level and measure-level open data from program administrators. NENY suffers from a profound lack of transparency: while high-level program spending and saving figures are published through a public dashboard, there is complete absence of more detailed data on how billions of ratepayer dollars are being spent—with the notable exception of NYSERDA. This transparency gap creates significant barriers to accountability: estimates of how much ratepayer money was spent by program administrators on different measures between 2020 and 2023, published for the first time in a recent report by Win Climate, took over 400 hours to produce: yearly program spending figures, which contain no details on what measures were spent on, had to be painstakingly cross-referenced with dozens of NENY annual reports, which show measure spending breakdowns.

- Instead of only providing program-level metrics, program administrators should be required to follow NYSERDA's example, and publish open data detailing every EE and BE project. For the Empower and Assisted Home Performance programs—as well for non-NENY Clean Energy Fund programs such as NY Sun solar subsidies, Drive Clean EV subsidies, and Green Jobs Green New York loans—NYSERDA publishes tabular datasets on New York State's open data portal that contain extensive, anonymized records of every project funded under each program.

- Today, only 14% of the $2.4 billion in ratepayer dollars spent between 2020 and 2023 are accounted for in open datasets, and therefore fully auditable by the public. This does not include the money spent by utilities. For example, while $883 million has already been spent on Clean Heat (between 2020 and 2023), and another $2.7 billion are proposed to be spent (between 2026 and 2030), we have no understanding of what heat pump models are being installed, by which contractors, in which areas, how they are being sized, how much they are costing, how much is being incentivized, and so on.[19] This information is vital to evaluating and improving program operations and gauging progress toward State climate commitments, at a time when yearly heat pump spending is set to double by 2030. Critical data on projects that are paid for by ratepayers should be available to the public, with safeguards to avoid compromising privacy.

VI - Cost Recovery

- **Is it beneficial to adopt a consistent cost recovery method across all program administrators? Why or why not?**
- **Is one proposed approach for cost recovery preferable to the other proposed approaches? Please explain why this approach is preferable.**

[19] See Win Climate's new report "New Efficiency New York: An appraisal of past and proposed spending." Available at: https://pub.climate.win/neny_report.pdf

VII - Leveraging Federal Funds

- **Do the proposals demonstrate how ratepayer funded programs will coordinate with/benefit from federal or other funding sources? If not, what would you propose?**

- No, the proposals do not adequately demonstrate how ratepayer funded programs will coordinate with or benefit from federal or other funding sources. As mentioned above, we recommend program streamlining and coordination such that all available incentives can be easily braided/stacked.

- NYSERDA indicated that funding from the IRA will be used for pre-electrification and pre-weatherization issues, including, but not limited to, electrical wiring and panel upgrades, water intrusion and mold remediation, and lead and asbestos abatement. However, there is little information available and little indication of when those funds might come into play and how much NYSERDA anticipates will be available.

VIII - Company Specific Proposals

- **Central Hudson - Should the proposal for $5.9 million additional/continuity funding from Central Hudson for their NYS Clean Heat Program through 2025 be approved, rejected, or modified?**
- **National Grid - Should the proposal for $9.3 million additional/continuity funding for the KEDLI EE Portfolio through 2025 be approved, rejected, or modified?**

Approve Con Edison's Expanded Portfolio Plan

- The Commission should approve Con Edison's Expanded Portfolio Plan. The Commission's order providing Con Edison with a limited budget constrains the level of energy savings that Con Edison can achieve and will not allow Con Edison to scale up its programs and market activity needed to stay on track with CLCPA goals.

- Without more funding Con Edison's efforts will leave a significant shortfall from the Final Scoping Plan's building sector targets. Customers will not pursue as many electrification and energy projects as they would have with additional funding, causing buildings to commit to another 20 to 30 years of inefficient fossil fuel use by replacing their aging equipment with new fossil fuel equipment.

- Con Edison has stated that they are ready to do more and their Expanded Portfolio Plan will enable them to further scale as 2030 approaches and they can prepare for the nearly doubling of annual incremental GHG emissions reductions demanded by the Climate Action Council's Final Scoping Plan during the next decade. Without the Commission's approval of the Expanded Portfolio Plan, markets may struggle to make the leap from a lower level of activity to one that is in line with the growth needed to achieve State policy goals.

- Con Edison's Expanded Portfolio Plan will electrify 12,000 more homes and make 15,000 more homes electrification-ready through building envelope improvements than

under their proposed Base Plan. While the Commission should be thoughtful about the impact of approving the Expanded Plan on the customer's rates, the Expanded Plan is a significant improvement over the Base Plan and the Commission should approve Con Edison's Expanded Portfolio Plan.

Approve Orange & Rockland's proposal to provide DAC households with low-to-no cost financing

- Orange & Rockland's (O&R) proposed energy efficiency measures are a marked shift away from their current program towards a greater reliance on building envelope improvement measures. O&R's Residential Weatherization Program is a residential energy efficiency program that offers incentives to increase the adoption of insulation, air sealing, and duct sealing for residences. O&R proposes to provide customers in DAC areas increased incentives and special interest financing to help facilitate their participation in weatherization upgrades. Specifically, O&R envisions partnering with third-party companies to offer no to low interest financing for weatherization and electrification projects to DAC customers. We support O&R's proposal to provide DAC customers with low to no cost financing for their electrification and weatherization projects and the Commission should approve O&R's proposal.

IX - Additional Comments

- **Provide any other comments not covered in the sections above.**

Process Concerns

- We are concerned with how the NENY Interim Review process has been conducted thus far. Proposals have been light on essential details needed to better evaluate the programs and provide useful feedback. The Technical Conference experience varied drastically depending on whether one attended in person (and thus got to ask any question they needed to ask) or virtually (where questions were selectively filtered out and curated). Additionally, the kinds of formal and informal processes of co-design that produced the Clean Energy Hub program have not been utilized for the design of these and other programs, and the current proposals fail to include details on how this will be improved.

- We recommend that DPS return to the historic policy process that has been typically used in program and policy design with multiple stakeholders. Though we appreciate the DPS Staff EE/BE Report published in 2022, a formal white paper, with a clear proposal for stakeholders to comment on (and then subsequently make reply comments), was not issued as part of this proceeding. While utilities and NYSERDA submitted their proposals and supplemental filings with additional data, we believe that the lack of direction from the Commission may have contributed to the lack of sufficient detail, disjointed program proposals, and lack of coordination between the program administrators. We hope DPS will recognize these flaws, develop a whitepaper, and then solicit comments on the white

paper to refine and improve based on stakeholder feedback. After a solid round of comments and reply comments, Staff needs to consider a new technical conference. The previous technical conferences deviated significantly from historical practice. Not only was the experience biased towards stakeholders in the room and against virtual participants, stakeholders only heard from NYSERDA and the utilities. It was not an opportunity for discussion that fostered mutual learning by stakeholders, and no one except program administrators was invited to present. The format was a Q/A session that put participants who could not join in person at a disadvantage, because many of their questions were selectively filtered out. Yet in previous years, technical conferences were a place for any interested and engaged stakeholder to host a panel, lead discussions over proposals, and make their own recommendations. The outcome was a real dialogue between all parties.

- So far, there has been no transparency as to the role of third parties such as ICF Inc., in the implementation of NENY programs for NYS utilities. While each utility has submitted their own unique portfolio proposal as directed by the Commission, utilities contract with third party implementers, including ICF, to implement their approved NENY EE/BE incentive programs. Are all of the utilities using the same implementer for their approved NENY portfolio? Additionally, why are implementers not a part of the proceeding? The Commission should provide all stakeholders with clarity on the role of ICF and any other third parties in implementing NENY incentives.

- We strongly oppose the elimination of funding for the Clean Energy Communities program and coordinators. This program has been incredibly effective in breaking through resistance to clean energy in more conservative parts of the state. Further, many municipalities lack the staffing and expertise to navigate CEC measures, and the proposal to fold the program into the DEC's climate smart communities (CSC) would greatly reduce that support, while removing CEC as an effective stepping stone to CSC. CEC has and will continue to strengthen the efforts of outreach program contractors by incentivizing municipalities to work with them on clean heating and cooling and community solar programs. The energy space is rife with mistrust, and few entities provide a better outreach platform than local government. Finally, we call on NYSERDA to reverse their decision to eliminate energy efficiency measures as a qualifying action for CEC, which they did to avoid 'gaming the system.' Specifying thresholds and requirements should be used rather than simply removing the most cost effective action from the toolbox.

Workforce Development Not Adequately Addressed

- Further, we have not seen any compelling plans to address the lack of workforce development initiatives. We recommend that Staff create and implement a comprehensive climate education and clean energy careers strategy.

- The proposed budget and goals are far too modest to build a workforce of the scale and diversity required to meet New York's Climate goals, and the proposal fails to specify and

acknowledge the scope and scale of the challenge. One of the things we already know from talking to contractors is that instead of reducing the available funding as has been proposed in most recent NENY filings, workforce development initiatives must be better funded. Existing workforce development opportunities should be bolstered, not cut. For example, NYSERDA should maintain the Clean Energy Internship and fellowships, considering that their 2023 Clean Energy Industry Report talks about the need to increase the workforce to meet demand, and that these programs benefit CBO's who hire and train interns.[20]

- Education and workforce development are by nature multi-agency responsibilities, yet NYSERDA's NENY proposal fails to mention what role this plays in their plan. NYSERDA's NENY filing must include and specify existing and planned interagency efforts. For example, the proposal does not identify how exactly people will be placed into jobs and there is a clear need to advance strategies that link trained people to appropriate jobs. One opportunity could come from incentivizing or leveraging contractors' participation in programs to get them to hire trainees.

- CBO's have not been treated on par with other key stakeholders such as employers and unions in addressing workforce development needs, and this must change by inviting representatives into the appropriate state, regional and local bodies, e.g. the Office of Just Transition (OJET) and Workforce Investment Boards (WIB's). Like contractors, CBO's and M/WBEs are employers and part of the clean energy workforce ecosystem. NYSERDA's plans should recognize this fact and adequately take these organizations' priorities into account.

- New York lacks a comprehensive Assets and Needs Study of the clean energy industries education and workforce needs. NYSERDA's annual industry study isn't granular or comprehensive enough for this purpose, and the study done for the Just Transition Working Group was not comprehensive, nor did it include recommendations across the workforce ecosystem. There are regional examples of the kind of study we recommend that have been done by the same contractor used for the footnoted studies.[21,22,23] The scope of the study, which should cover all areas of clean energy employment, must be developed in consultation with a full range of stakeholders, including CBO's and contractors surveyed on an ongoing basis to better understand the needs of the sector.

Program Administrator Accountability

[20] https://www.nyserda.ny.gov/About/Publications/New-York-Clean-Energy-Industry-Report
[21] NJ Council on the Green Economy (2022).*Green Jobs for a Sustainable Future: Leveraging Our Strengths to Grow an Inclusive, Green Economy*. Retrieved from: https://www.nj.gov/governor/climateaction/documents/CGE%20Roadmap.pdf#page=4
[22] Massachusetts Clean Energy Center (2023). *Powering the Future: A Massachusetts Clean Energy Workforce Needs Assessment*. Retrieved from: https://www.masscec.com/resources/massachusetts-clean-energy-workforce-needs-assessment
[23] Barr Foundation (2023). *An Assessment of the Clean Energy Workforce in New England.* Retrieved from: https://www.barrfoundation.org/reports/building-new-england-clean-enegy-workforce

- The Commission should establish Negative Shareholder Revenue Adjustment Mechanisms for utilities that fail to attain EE/BE incentive targets set by the Commission. Utilities must not delay in implementing energy efficiency and building electrification incentive programs and if they do they should be penalized with a negative shareholder revenue adjustment. The negative shareholder revenue adjustment should be structured to act as a deterrent. Establishing a negative shareholder revenue adjustment mechanism can be an effective accountability tool and will provide utilities with an incentive to achieve the targets set by the Commission without added cost to the ratepayers.

Sincerely,

Avni Pravin, Deputy Director, **Alliance for a Green Economy**
Eric Walker, Energy Justice Senior Policy Manager, **WE ACT for Environmental Justice**
Kristen L. Van Hooreweghe, Senior Director of Programs, **Climate Solutions Accelerator of the Genesee-Finger Lakes Region**
Malak Nassereddine, NY Senior Manager of Utility and Regulatory Policy, **Building Decarbonization Coalition**
Caleb Weil, Project Associate, **Urban Homesteading Assistance Board**
Clarke Gocker, Senior Director of Movement Building, **PUSH Buffalo**
Martha Sickles, Founder, **Urbecon LLC**
Haym Gross, Architect and Founding Member, **NYC 2030 District**
Adam Flint, Director of Clean Energy Programs, **Network for a Sustainable Tomorrow**
Irene Weiser, Coordinator, **Fossil Free Tompkins**
Renee Vogelsang, New York Director, **Frack Action**
Rebekah Morris-Gonzalez, Director of Climate Initiatives, **Pratt Center for Community Development**
Ryan Madden, Climate & Energy Campaigns Director, **Long Island Progressive Coalition**
Michael Hernandez, Director of State & Local Policy, **Rewiring America**
Betta Broad, Director, Advocacy and Organizing, **Association for Energy Affordability, Inc.**
Anshul Gupta, Policy and Research Director, **New Yorkers for Clean Power**