



For Immediate Release: 1/16/2020

GOVERNOR ANDREW M. CUOMO

GOVERNOR CUOMO ANNOUNCES ADDITIONAL \$2 BILLION IN UTILITY ENERGY EFFICIENCY AND BUILDING ELECTRIFICATION INITIATIVES TO COMBAT CLIMATE CHANGE

New Targets Will Reduce 3 Million Metric Tons of Carbon Pollution — Equivalent to Removing 600,000 Gas-Powered Cars from New York Roads

Consumers Will Save More than \$13 Billion on Utility Bills Over Life of New \$2 Billion Program

New York State Now Investing \$6.8 Billion in Clean Heat and Energy Efficiency Measures

Governor Andrew M. Cuomo today announced an additional \$2 billion in energy efficiency and building electrification initiatives to combat climate change. The New York State Public Service Commission has approved an ambitious set of energy efficiency and electric heat pump targets to dramatically reduce energy consumption in New York. The new targets for investor-owned utilities will bring nearly \$2 billion in market-enabling investments to help transform the way New York residents and businesses heat and cool their homes and offices and move towards cleaner and healthier buildings and communities throughout the state. Together with the New York State Energy Research and Development Authority, the New York Power Authority, the Long Island Power Authority and a previous PSC order on efficiency, New York State is now investing over \$6.8 billion in energy efficiency and clean heat investments from 2020 through 2025. This historic investment supports New York's Green New Deal strategy and nation-leading mandate to reduce greenhouse gas emissions throughout the state by 85 percent by 2050 and achieve economy-wide carbon neutrality.

"Climate change is a real and growing threat to New York's environment and economy and to the health of our people, and we're already experiencing the negative impacts in the form of increased weather-related emergencies," **Governor Cuomo said.** "This historic investment shows we are aggressively pursuing clean energy alternatives to reduce our reliance on fossil fuels, growing jobs in clean energy industries and protecting our environment for current and future generations."

With this additional commitment, New York State is now investing more than \$6.8 billion through 2025 to deploy clean heat and energy efficiency technologies in buildings to reduce emissions and combat climate change. Under NYSERDA's Clean Energy Fund, \$1.2 billion will be devoted to energy efficiency measures and heat pumps. Additionally, by 2025, NYPA will spend \$1.5 billion in energy efficiency initiatives for

their state-wide municipal and state agency customers. On Long Island, LIPA will devote \$500 million for their residential and business customers. This Commission order will direct nearly \$2 billion in additional utility energy efficiency and electrification actions: \$893 million for electric energy efficiency; \$553 million for gas energy efficiency; and \$454 million for heat pumps through 2025. Additionally, the Commission re-authorized funding to support existing levels of utility energy efficiency activities through 2025 totaling \$1.3 billion, meaning that today's decision will result in a new total of over \$3 billion in investor-owned utility investments for energy efficiency and building electrification through 2025, helping New Yorkers across the state to advance cleaner buildings and healthier communities.

The order is also expected to boost the number of energy efficiency jobs across the state as the largest segment of New York's clean energy economy. In 2018, over 123,000 New Yorkers were employed in the energy efficiency sector. With this new investment, job growth and economic opportunity in energy efficiency is expected to further accelerate over the next five years, making New York State a leading market for sustainable building technology.

The new energy efficiency and electrification programs authorized today will also contribute substantially toward meeting New York's clean energy goals. Today's targets, combined with other State initiatives, will result in a three percent reduction in annual electric usage and a 1.3 percent reduction in annual gas usage by 2025. This utility investment is a cornerstone of New York's energy efficiency strategy and will result in substantial progress toward New York's energy savings goal.

Energy efficiency improvements and innovative heating systems like heat pumps reduce energy use and save consumers money on their total energy bills. When integrated into New York's energy systems and infrastructure, energy efficiency provides long-term benefits by lowering baseload and peak demand and reducing the need for additional energy generation - including fossil fuels -- and transmission lines, lowering the overall cost of the system benefiting consumers.

To improve access, scale and services to the most vulnerable New Yorkers, \$289 million in additional funding will be dedicated for Low-Moderate Income energy efficiency programs. In addition to this increase, the Commission has also directed NYSERDA to commit an additional \$30 million for LMI-related heat pump initiatives. This incremental funding is additive to existing LMI energy efficiency efforts and the nearly \$250 million annually provided through utility bill credits through the statewide Affordability Program which is targeted at limiting the energy burden to no more than six percent of a household's income. This dedicated funding and investments provides the most vulnerable New Yorkers not only with access to energy efficiency and home heating clean technologies, but new opportunities to participate in the clean energy transition and manage their energy bills.

Additionally, New York's electric utilities and NYSERDA are directed to jointly develop a consistent statewide heat pump program framework to be administered by the utilities in their service territories and combined with LIPA sets a minimum target of 4.6 TBtu for savings from heat pump installations across the state.

The Commission's decision demonstrates the necessity of a comprehensive approach to scaling energy efficiency and building electrification through the collaborative efforts of the investor-owned utilities, NYSERDA, NYPA and LIPA.

NYSERDA

NYSERDA will be seeking to invest approximately \$200 million in market development programs that will leverage the utility incentive programs to create a statewide Clean Heating and Cooling market framework that will lay the foundation upon which New York will formulate its building electrification strategy and a Net Zero Carbon Buildings future. NYSERDA's investments in energy efficiency and heat pumps by 2025 will total \$1.2 billion.

NYSERDA's market develop support will build upon New York's existing clean heating and cooling programs and will include new initiatives it expects to launch this year to improve consumer awareness, increase the number of skilled workers and businesses in the clean heating and cooling industry, provide technical assistance to residents and businesses and provide clean heating and cooling solutions that will benefit Low-and Moderate Income consumers.

NYPA

The New York Power Authority's energy efficiency program continues to grow to support New York State's energy goals. NYPA has plans to finance and implement more than \$1.5 billion in energy efficiency measures throughout New York State up through 2025 at state, local and municipal government facilities, continuing to develop its program to \$300 million annually. The energy efficiency measures include heat pumps, new high efficiency boiler replacements, updated controls, HVAC upgrades that will reduce natural gas consumption and related clean energy solutions.

In addition, NYPA is providing free heat pump screening assessments for NYPA customers and undertaking demonstration projects for electric heat pump solutions with its customers. NYPA is also leading by example in collaboration with SUNY to drive toward higher efficiency buildings and achieve SUNY's greenhouse gas emission reduction goals and working hand-in-hand with the New York City Housing Authority to upgrade old heating systems through turnkey services and financing.

LIPA

Over the next five years, LIPA is investing over \$500 million in energy efficiency and beneficial electrification initiatives for its 1.1 million customers.

Public Service Commission Chair John B. Rhodes said, "Energy efficiency is a go-to resource - the resource you don't use is usually the cheapest - and we need to aggressively pursue this solution. Governor Cuomo's commitment to protecting and enhancing our environment has been steadfast. Today's action to advancing energy efficiency and the installation of heat pumps will reduce costs, reduce energy and reduce carbon."

Alicia Barton, President and CEO, NYSERDA, said, "Today's commitment to dramatically reduce energy consumption and scale up energy efficiency initiatives at an unprecedented pace is more evidence of Governor Cuomo's unmatched climate leadership and reinforces his commitment to making affordable clean energy solutions available to as many New Yorkers as possible. The NYSERDA initiatives being

announced today will help dramatically accelerate our progress in scaling up new, cleaner alternatives for residents and businesses to heat and cool their homes and facilities, and will help ensure energy affordability for Low-and-Moderate Income customers who want healthy, efficient solutions for their homes."

NYPA President and CEO Gil C. Quiniones said, "NYPA is investing hundreds of millions of dollars annually to support our government customers' transition to cleaner and more energy efficient technology. Increasing energy efficiency throughout New York State is critical to achieving a clean energy economy and lowering the state's carbon footprint."

LIPA CEO Tom Falcone said, "Governor Cuomo's commitment to energy efficiency is good for both the environment and our customers' wallets. LIPA has invested over \$1.4 billion in energy efficiency and clean energy and is committed to an additional \$500 million over the next five years to help our customers save money and the environment."

New York State's Green New Deal

Governor Andrew M. Cuomo's Green New Deal is the most ambitious climate change program in the nation and puts the State on a path to being entirely carbon-neutral across all sectors of the economy, including power generation, transportation, buildings, industry and agriculture. The Governor's program also establishes a goal to achieve a zero-carbon emissions electricity sector by 2040, faster than any state in the nation. The 2019 Climate Leadership and Community Protection Act mandates several of the Governor's ambitious Green New Deal clean energy targets: installing six gigawatts of distributed solar by 2025, three gigawatts of energy storage by 2030, and at least nine gigawatts of offshore wind by 2035. The CLCPA also calls for an orderly and just transition to clean energy, creating jobs while spurring a green economy. It builds on New York's unprecedented ramp-up of clean energy including a \$2.9 billion investment in 46 large-scale renewable projects across the state, the creation of more than 150,000 jobs in New York's clean energy sector and 1,700% growth in the distributed solar sector since 2012. The CLCPA also directs New York State's agencies and authorities to work collaboratively with stakeholders to develop a plan to reduce greenhouse gas emissions by 85% from 1990 levels by 2050, and to work toward a goal for disadvantage communities to receive 40% of the overall benefits of spending on clean energy and energy efficiency programs, projects or investments.

Reforming the Energy Vision

The CLCPA builds on Governor Cuomo's landmark Reforming the Energy Vision strategy to lead on climate change and grow New York's economy. REV is building a cleaner, more resilient and affordable energy system for all New Yorkers by stimulating investment in clean technologies like solar, wind, and energy efficiency. Already, REV has driven growth of nearly 1,700 percent in the statewide solar market, leveraged nearly \$3.4 billion in private investments, improved energy affordability for 1.65 million low-income customers, and led to more than 150,000 jobs in manufacturing, engineering, and other clean tech sectors across New York State.

To learn more about REV, visit rev.ny.gov, follow us on [Twitter](#), [Facebook](#), and [LinkedIn](#).

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