



**Built to Lead**

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GOVERNOR ANDREW M. CUOMO

**GOVERNOR CUOMO ANNOUNCES NEW ENERGY AFFORDABILITY POLICY TO DELIVER RELIEF TO NEARLY 2 MILLION LOW-INCOME NEW YORKERS**

***NYS Public Service Commission Expands Energy Discount Programs to Provide More Than \$248 Million in Savings to Households Statewide***

Governor Cuomo today announced that the New York State Public Service Commission has put in place the state's first-ever Energy Affordability Policy, which will provide nearly two million low-income New Yorkers with \$248 million in direct cost relief each year. The new policy will limit energy costs for low-income New Yorkers to no more than 6 percent of household income – half of what many New Yorkers are currently paying.

“This bold action delivers much-needed relief to New Yorkers and will help expand access to clean energy in every corner of this state,” **Governor Cuomo said.** “I’m proud of this great progress toward creating a cleaner, greener and more resilient New York for all.”

An order approved today by the Public Service Commission will immediately increase the number of low-income utility customers receiving monthly discounts from approximately 1.1 million customers to 1.65 million. The Governor has also directed a collaborative effort among state agencies, acting as a low-income energy task force, to develop new strategies so that all of the state's 2.3 million households at or below 200 percent of the federal poverty level have greater access to clean energy and are better served by the state's energy efficiency and assistance programs.

The new Energy Affordability Policy is an important part of Reforming the Energy Vision, Governor Cuomo's comprehensive strategy to fight climate change and grow New York's economy by investing in clean energy technology and generating 50 percent of the state's electricity needs from renewable energy by 2030.

**Richard Kauffman, New York State Chairman of Energy and Finance, said,** “REV's success will not be complete if we don't do everything we can to deliver the benefits of clean and affordable energy to low-income households across New York State. Providing this critical relief to customers in need is just one of many tools we are using to empower the full participation of these customers in the transition to a cleaner economy under REV.”

**Commission Chair Audrey Zibelman said,** “We must address the fact that millions of New Yorkers struggle every month to pay their electric, gas or heating bills. Through a

wide range of REV initiatives, New York can achieve lower energy bills for all customers, at all income levels. But direct assistance is needed for these low-income households where energy costs can account for 15 percent or more of a family's income."

The increase in direct financial assistance is part of more than \$750 million in annual energy investments by the state on behalf of low-income New Yorkers. Utility discounts for low-income customers currently total \$130 million per year. Today's order will make energy discounts more uniform statewide and provide direct savings totaling \$248 million to 1.65 million households across New York.

Under this new policy, depending on household income and presence of vulnerable residents, electric customers will receive monthly discounts between \$11 and \$44, up from between \$5 and \$15 in a typical service territory. Gas customers will receive discounts between \$3 and \$33. The budget to reach all 2.3 million of New York's low-income households will be capped at no more than 2 percent of utility revenues, a level found to be sufficient to meet the 6 percent energy burden goal for most utilities while balancing rate impacts on other classes of customers.

Reducing the energy burden of low-income households and ensuring their participation in the clean economy cannot be accomplished through rate discounts alone, and requires a more comprehensive strategy. Under REV and other initiatives, several significant LMI energy reforms are already underway, including:

- **Clean Energy Fund Programs:** The New York State Energy Research & Development Authority's new ten-year, \$5 billion Clean Energy Fund will commit a minimum of \$234 million over its first three years to initiatives benefitting LMI customers, including low and no-cost energy efficiency services through NYSERDA's EmPower and Assisted Home Performance programs, and affordable access to solar PV. In addition, the CEF will also support innovative new initiatives that enlist the help of the private sector to meet the energy needs of LMI communities, particularly in affordable housing developments.
- **Utility Energy Efficiency Program Reforms:** Energy-efficiency programs offered by major utilities are poised to offer greater value and new cost-saving services to consumers at all income levels under streamlined rules approved earlier this year. Utilities must establish multi-year budgets and energy-reduction targets (both gas and electric) that guarantee energy-efficiency achievements and encourage utilities to be creative and more expansive in designing these cost-saving services.
- **REV Demonstration Projects:** The state is also developing innovative new proposals such as "REV Demonstration Projects," to address the barriers that have historically prevented LMI customers from being served by private sector clean energy providers, including structuring various credit enhancement tools that will provide increased access to financing.
- **Utility Referrals:** Another key element of the DPS low income assistance programs is utility referral of customers to administrators of energy efficiency

programs designed for low-income customers. Referral programs are in place for all major energy utilities.

- **Community Solar:** Low-income communities will also benefit from Community Solar, a REV initiative that allows customers to share in the benefits of solar power even if they live in an apartment or other building that cannot support a rooftop solar system. In addition to the clean, low-cost energy, Community Solar also offers the opportunity for residents to earn dividends when power can be sold into the electric grid.
- **Microgrid Development:** REV is also encouraging communities to develop their own community microgrid projects – standalone energy systems that can operate independently of the main grid in the event of a power outage. State funding under the \$40 million NY Prize community microgrid competition will help communities across New York invest in new energy systems which will ensure critically important institutions such as police and fire stations, hospitals and schools – all of which are facilities that all communities, but particularly LMI communities, depend upon for their safety and wellbeing – can continue operating during and in the aftermath of an extreme weather event.

**John B. Rhodes, Chairman of NYSERDA, said,** “There are millions of apartments and multi-family buildings in New York and, like every other residence in the state, they all can benefit from clean energy, weatherization programs and energy-efficiency services. Through Governor Cuomo’s leadership on REV, New York State is now focusing attention on a segment of the energy market that has been ignored for far too long. In fact, earlier today, NYSERDA and Homes and Community Renewal announced \$27 million in energy efficiency investments in affordable housing, and a strengthened focus on driving green investments through its affordable housing programs. Through REV, we are ensuring that all New Yorkers will share in the expansion of clean, reliable and affordable power.”

**Michael Corso, the Department of Public Service’s Consumer Advocate, said,** “Today’s order will make a profound impact on the lives of millions of New Yorkers. More work remains to be done, and we are confident that by working with our fellow members of the Governor’s collaborative energy affordable task force, we will maximize the benefits of our existing programs, improve them where necessary and be able to reach all low-income households in New York to make energy affordable.”

**Beth Finkel, State Director of American Association for Retired Persons, said,** “This is good news, particularly for retirees and consumers on fixed or limited incomes who must devote a larger percentage of their household income to paying their energy bill – a basic life necessity. AARP applauds Governor Cuomo, Chair Zibelman and the Public Service Commission for lending a badly needed helping hand to those utility consumers who are truly struggling, ensuring they can keep their homes heated and lit.”

**Richard Berkley, Executive Director of the Public Utility Law Project of New York, said,** “The Commission today took an important and historic step by creating New

York's first uniform statewide program, reducing the costs of energy for New York's low-income and fixed-income households. After today, more than half a million new households will receive assistance in paying their utility bills, and with the Governor's and PSC's leadership, the PSC deserves our support and applause for creating a program that will help millions of New Yorkers and will hopefully continue to improve as it heads towards the Governor's vision of bringing all of New York's eligible low- and fixed-income households in from the cold."

U.S. Energy Information Administration data shows that middle- and upper-income customer energy burdens generally range from 1 to 5 percent of household income. While the Energy Affordability Policy announced today will guarantee that low-income households on average do not pay more than 6 percent of their household income for energy, the Commission noted that it will seek to leverage assistance provided through other REV programs, including energy efficiency and clean energy programs to further lower the energy burden of low-income households below 6 percent so that the low-income energy burden is similar to middle-income households.

To add 500,000 households to utility discount programs, the Commission ordered that all recipients of payments under the Home Energy Assistance Program, regardless of the fuel they use to heat their homes, will now be eligible for monthly discounts. Those discounts will be paid in equal amounts each month.

### **About Reforming the Energy Vision**

Reforming the Energy Vision is Governor Andrew M. Cuomo's 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 and generating 50 percent of the state's electricity needs from renewable energy by 2030. Already, REV has driven 600 percent growth in the statewide solar market, enabled over 105,000 low-income households to permanently cut their energy bills with energy efficiency, and created thousands of jobs in manufacturing, engineering, and other clean tech sectors. REV is ensuring New York State reduces statewide greenhouse gas emissions 40 percent by 2030 and achieves the internationally-recognized target of reducing emissions 80 percent by 2050. To learn more about REV, including the Governor's \$5 billion investment in clean energy technology and innovation, please visit [www.ny.gov/REV4NY](http://www.ny.gov/REV4NY) and follow us at @Rev4NY.

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