



For Immediate Release: 7/27/2020

GOVERNOR ANDREW M. CUOMO

**GOVERNOR CUOMO ANNOUNCES CLEAN ENERGY INVESTMENTS TO BENEFIT
OVER 350,000 LOW-TO-MODERATE INCOME HOUSEHOLDS**

***NYSERDA and New York Utilities Collectively Supporting Initiatives to More than
Double the Number of Households Receiving Energy Efficiency Services***

***State and Utilities to Test and Develop Scalable Clean Heating and Cooling
Solutions for Low-to-Moderate Income Households and Affordable Multifamily
Buildings Resulting in Healthier, Cleaner Air***

***State Also Announces Loan Loss Reserve Pilot and NY Green Bank Affordable
Multifamily Financing to Support Underserved Borrowers and Adoption of Energy
Efficiency Solutions***

Governor Andrew M. Cuomo today announced a nation-leading initiative between the New York State Energy Research and Development Authority and the state's investor-owned utilities for a new framework to increase access to energy efficiency and clean energy solutions for low-to-moderate income households and affordable multifamily buildings.

The collaborative partnership and investments made as part of this initiative will result in cleaner and healthier indoor air and more affordable energy options for households, including more than 350,000 low-to-moderate income households throughout the state. The framework, submitted to the New York State Department of Public Service, will more than double the number of low-to-moderate income households and multifamily buildings receiving energy efficiency services such as insulation, air sealing, electric load reduction, and HVAC improvements, annually and increase outreach, education, and community-based support programs for energy efficiency improvements.

"As we continue our fight against climate change, we must ensure that all New Yorkers have access to clean energy and are not left behind in the transition to a green economy, particularly those in our most vulnerable communities who most directly feel the harmful impacts of climate change and environmental degradation," **Governor Cuomo said.** "This groundbreaking public-private partnership is a smart and innovative approach that will bring affordable, clean energy solutions directly into the homes of those who need them most and make the lives of all New Yorkers safer and healthier."

This latest announcement supports New York's nation-leading Climate Leadership and Community Protection Act and ensures that the CLCPA's goals are advanced in a just and equitable manner by providing access to clean energy solutions and improving energy affordability for LMI households and communities.

LMI households are disproportionately impacted by energy costs, with many experiencing an annual energy burden exceeding 20 percent of their household income. Dedicated resources and investments such as those announced today, coupled with the Public Service Commission's \$250 million annual direct payment assistance program, are crucial in helping vulnerable New Yorkers control their energy costs and access the benefits of clean energy solutions.

The [framework filed today](#) includes a substantial increase in funding for low-to-moderate income energy efficiency, and outlines a comprehensive strategy between NYSERDA and New York's investor-owned utility companies including Central Hudson, Con Edison, National Fuel Gas, National Grid, NYSEG/RG&E, Orange & Rockland, with expanded funding in 2020 and new and modified programs beginning in 2021.

This statewide framework will invest nearly \$1 billion through 2025 to advance energy efficiency in the LMI market segment, including:

- Over \$300 million to reduce energy burdens by increasing access to energy efficiency for LMI homeowners and renters;
- More than \$500 million to improve energy efficiency in affordable multifamily buildings;
- \$45 million for community-level engagement and capacity building with community-based organizations; and
- \$30 million for developing clean heating and cooling solutions for LMI homes and buildings through research and analysis of institutional barriers, and funding of pilots and demonstrations. This investment builds on New York's nation-leading push on building electrification with the recently approved New York State Clean Heat Implementation Plan that will invest nearly \$700 million in building electrification solutions, including a variety of heat pump technologies.

These new initiatives will increase market demand and create new opportunities for clean energy workers with this monumental investment. Through the Clean Energy Fund, NYSERDA is offering a range of workforce development and training opportunities and will continue to work with the network of energy efficiency and Weatherization Assistance Program contractors. The workforce development and training will focus on priority populations and building workforce capacity at the community level. These include on-the-job training incentives, classroom courses, internships, partnerships with trades and unions, and targeted local workforce training to support LMI clean energy community campaigns.

Collectively, the investments announced today will result in:

- Improved energy efficiency for LMI residents and affordable multifamily buildings totaling over 400 GWh and 6,000 MMBtu annually;

- Reduced energy bills for program participants, totaling over \$40 million annually;
- Improved health outcomes for New Yorkers resulting from improved indoor air quality; and
- An increase in households receiving energy efficiency services from approximately 30,000 per year to over 70,000 per year.

In New York, 3.2 million households or 40 percent of residents qualify as low-to-moderate income, have incomes at or below 80 percent of their area's median income. Buildings account for 45 percent of greenhouse gas emissions from fuel combustion and electric generation in New York State and today's commitment will help LMI residents and building owners reduce energy costs which supports the CLCPA goal to deliver 35-40 percent of the benefits of the clean energy investments to disadvantaged and low-to-moderate income communities.

NYSERDA is also offering \$10 million in funding through Green Jobs - Green New York to support a [Loan Loss Reserve Program](#) prioritizing lending to support green jobs and lending for energy efficiency and renewable energy in communities across New York. This pilot program will have a direct benefit to underserved borrowers by reducing the risk for community-based financial institutions that loan money for energy efficiency improvements and renewable energy systems installed in residential and multi-family buildings as well as in buildings used by small businesses and not-for-profits. The program will catalyze and expand clean energy financing and expand the availability of, and improve the terms for, financing products by requiring that a minimum of 35 percent of any residential loan portfolio be made available to consumers with lower credit scores or consumers with lower household income, and a minimum of 35 percent of any multifamily building loan portfolio be for affordable multifamily buildings.

In addition, [NY Green Bank](#) has been working collaboratively with Community Development Financial Institutions, housing agencies, affordable housing developers and operators, and other groups, and will launch a new initiative this fall aimed at making investments of at least \$150 million to expand clean energy and energy efficiency solutions that benefit New York's affordable multifamily housing market. Financing will be directed toward new construction and preservation of the state's multifamily affordable housing market to spur greater energy performance. In doing so, NY Green Bank will be able to demonstrate to traditional lenders and financial institutions that greener affordable housing projects can be successfully financed and adopted by the market.

These initiatives also complement the work of the New York State Homes and Community Renewal's direct support and funding for low-to-moderate communities. For instance, in 2019 HCR launched the Weatherization Preservation Plus Program to reduce energy costs for multifamily buildings that receive federal or state rental assistance. Since 2011, Weatherization Program funds have ensured about 78,400 housing units in New York State have been made more energy efficient due to investments of over \$506 million. HCR has also led the drive in the development of housing that has a positive impact on the environment and climate by being the first state in the U.S. to secure international certification of nearly \$100 million in new Green

Bonds. HCR's Housing Finance Agency continues to be the largest issuer of Climate Bonds globally and leverages data collected through its benchmarking program to inform multifamily building owners in how to make their buildings more sustainable.

NYSERDA Acting President and CEO Doreen M. Harris said, "Today's announcement marks an important progression in a series of actions the state is taking to ensure no New Yorker, regardless of income, is denied access to energy efficiency services that provide more comfortable, clean and healthy living environments. Our investment underscores the laser focus we have in advancing New York's just and equitable transition to a carbon-neutral economy under Governor Cuomo's leadership."

Homes and Community Renewal Commissioner RuthAnne Visnauskas said, "HCR is proud to support our colleagues at NYSERDA and investor-owned utilities as we continue to implement Governor Cuomo's visionary agenda to reduce emissions, which includes helping our fellow New Yorkers who live in affordable multifamily housing improve energy efficiency. Containing energy costs is another way to make housing more affordable across the state."

Clean Energy Credit Union Blake Jones Volunteer Board Chair said, "As a federally chartered credit union that focuses exclusively on clean energy, energy efficiency, and green home improvement lending, Clean Energy Credit Union is excited for the opportunity to become a participating lender in NYSERDA's Loan Loss Reserve program. We applaud NYSERDA for designing such a robust program, particularly one that focuses on low-to-moderate income households and disadvantaged borrowers. This program will allow us to decrease the interest rates that we offer to the program's participants, and in turn, it will help them reduce their energy consumption and utility bills."

Inclusive Prosperity Capital CEO Kerry E. O'Neill said, "We have seen the power of loss reserves to catalyze local lenders to offer green lending products, especially in underserved communities. These green upgrades provide savings, lessen the energy burden on consumers, and the affordable financing options help local contractors expand their efficiency and renewables businesses."

Inclusiv President and CEO Cathie Mahon said, "We applaud NYSERDA's creative approaches to stimulate clean energy lending in credit unions and other Community Development Financial Institutions. The moment is now to align our financial inclusion work with climate action and working with innovative partners and providing tools to support new lending activity is critical for success."

Today's announcement is the latest in a series of actions the State has taken to equitably transition to economy-wide carbon neutrality. The Public Service Commission issued an order earmarked \$701 million to be spent by the state's investor-owned utilities by 2025, with \$206 million allocated toward equitable access and benefits for lower-socio-economic and disadvantaged communities, to build enough electric vehicle charging stations and infrastructure to support New York's goal of having 850,000 EVs on the road by the end of that year. As part of this announcement, NYSERDA will propose competitions totaling \$85 million designed to directly address emissions, equity

and electrification in communities near high-density and congested streets and public highways. And last month, NYSERDA made available more than \$10.6 million to help underserved New Yorkers access clean, affordable and reliable solar, representing the first step in implementing New York's Social Energy Equity Framework. Additionally, the New York State Department of Environmental Conservation announced the appointment of the nine members of the Climate Justice Working Group to help guide the implementation of the CLCPA.

More information about today's framework may be obtained by going to the Commission Documents section of the Commission's Web site at www.dps.ny.gov. See Case Number 18-M-0084 [here](#).

New York State's Nation-Leading Climate Plan

Governor Cuomo's nation-leading climate plan is the most aggressive climate and clean energy initiative in the nation, calling for an orderly and just transition to clean energy that creates jobs and continues fostering a green economy as New York State Builds Back Better as it recovers from the Covid pandemic. Enshrined into law through the Climate Leadership and Community Protection Act, New York is on a path to reach its mandated goals of economy wide carbon neutrality and achieving a zero-carbon emissions electricity sector by 2040, faster than any other state. It builds on New York's unprecedented ramp-up of clean energy including a \$3.9 billion investment in 67 large-scale renewable projects across the state, the creation of more than 150,000 jobs in New York's clean energy sector, a commitment to develop over 1,800 megawatts of offshore wind by 2024, and 1,800 percent growth in the distributed solar sector since 2011. New York's Climate Action Council is working on a scoping plan to build on this progress and reduce greenhouse gas emissions by 85 percent from 1990 levels by 2050 while ensuring that at least 40 percent of the benefits of clean energy investments benefit disadvantaged communities, and advancing progress towards the state's 2025 energy efficiency target of reducing on-site energy consumption by 185 TBtus.

###