UNLOCKING THE POWER OF NENY 2

New Efficiency: New York From Proceeding to Practice

Rebekah Morris-Gonzalez
Pratt Center

Juan Pablo Velez
Win Climate

Thursday, July 25th
Noon - 1:00
What is New Efficiency New York (NENY)?

- A plan to accelerate growth in building energy efficiency and electrification in New York State over 10 years
  - 185 TBtu in energy savings by 2025 (1.8 million homes equivalent)
  - Workforce development
  - Improved access to energy measures for low-moderate income households
- Launched in 2020
- Spending approximately $1 Billion a year of ratepayer funds
  - Clean Heat Program, rebates for heat pumps, administered by the utilities
  - EmPower+ Program, grants for weatherization for LMI households, administered by NYSERDA
  - Workforce Development
NENY Timeline

- Launched in 2020
- New Strategic Framework announced July, 2023
- Technical conferences early 2024
- Our letter delivery to PSC
- **Opportunities to give input (You Are Here)**
- New draft order coming in October?
- **Opportunities to give input?**
- New order some time in 2025
- Program launch, January 2026
Our Three Key Objectives

● **Invest In Our Communities** by allocating *50% of the overall NENY budget* to LMI households and DAC programs, prioritizing structural barrier removal and building shell improvements.

● **Make the Programs Easy to Use and meet people where they are.** Make applications simple, standardize incentives, and speed up approvals.

● **Value Our Lives, Our Health, Our Comfort, Our Safety** by incorporating health and other benefits into the calculations that inform investment decisions.
How NYSERDA’s Empower+ Program Shortchanges Low-Income Residents
For 60 years, Pratt Center has worked for a more just, equitable & sustainable city for all New Yorkers.
PRATT CENTER’S COMMUNITY RETROFIT WORK

2009
Retrofit Bed-Stuy Block By Block

2010
Retrofit NYC Block By Block

2011–2017
Green Jobs/ Green New York

2012–2015
Retrofit Standardization Study

2016-2017
EnergyFit NYC Pilot

2021-2024
EnergyFit Affordable Small Homes
**EMPOWER+ OUTCOMES FOR NYC (2010-2023)**

863,000

*The number of 1-4 family buildings in NYC*

<table>
<thead>
<tr>
<th>Customer Type</th>
<th>Total 1-4 unit Retrofits</th>
<th>Total eligible 1-4 unit buildings</th>
<th>Percent of eligible buildings retrofitted</th>
</tr>
</thead>
<tbody>
<tr>
<td>Empower &lt;60% SMI</td>
<td>23,769</td>
<td>247,248</td>
<td>3%</td>
</tr>
<tr>
<td>Assisted 60–80% AMI</td>
<td>994</td>
<td>307,566</td>
<td>0.3%</td>
</tr>
<tr>
<td>Market &gt;80% AMI</td>
<td>756</td>
<td>305,938</td>
<td>0.8%</td>
</tr>
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**EMPOWER+ OUTCOMES FOR NYS**
*(2010-2023)*

<table>
<thead>
<tr>
<th>Customer Type</th>
<th>New York City</th>
<th>New York State</th>
<th>Percent in NYC</th>
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<tbody>
<tr>
<td>Empower &lt;60% SMI</td>
<td>23,769</td>
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<td>TOTAL</td>
<td>25,519</td>
<td>364,703</td>
<td>7%</td>
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93% of projects funded since 2010 occurred outside of NYC.
Why is uptake so low in NYC, despite having hundreds of thousands of small residential buildings housing low-income, predominantly Black and brown households that need help?
INCOME ELIGIBILITY AND MEDIAN INCOME

SMI = STATE MEDIAN INCOME
Based on the statewide median income; stays the same no matter where in NYS a person lives and what the cost of housing is

AMI = AREA MEDIAN INCOME
Based on local income and housing costs; changes based on where in NYS a person lives

NYSERDA Chooses to use State Median Income for their Low-Income Program...but not their Moderate Income Program
# NYS Housing Programs Using AMI

<table>
<thead>
<tr>
<th>Agency</th>
<th>Program</th>
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<tbody>
<tr>
<td>NYS HCR</td>
<td>Low Income Housing Tax Credit</td>
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<td>HOMES Program</td>
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<td>MF Development Programs</td>
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<td>NYS HCR</td>
<td>Climate Friendly Homes Fund</td>
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<tr>
<td>NYC HPD</td>
<td>All Housing Services</td>
</tr>
<tr>
<td>NYSERDA</td>
<td>Empower+ moderate income services</td>
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<td>NYSERDA</td>
<td>AMEEP</td>
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THE GAP DOWNSTATE

60% State Median Income  
vs  
60% Area Median Income  
NYC Metro Area

For a family of two in NYC, 60% State Median Income is $47,640 while 60% Area Median Income is $67,800—
a difference of over $20,000.
VISUALIZING LOST IMPACT

NYSERDA's Current Model

1-4 family buildings in census tracts below 60% State Median Income
2-Person Median Household Income Limit..........................$44,763
Total Number of 1-4 Family Buildings...............................37,497

Limited Increase

1-4 family buildings in census tracts below 50% Area Median Income
2-Person Median Household Income Limit.........................$67,800
Total Number of 1-4 Family Buildings.............................178,975
IF WE USED THE FEDERAL GOVERNMENT'S IRA INCOME LIMIT (80% AMI)
34 counties in New York where households with 1–4 members have an AMI that is higher than SMI.
WHY SHOULD THIS MATTER TO YOU?

1. Climate change, climate change, climate change.

2. Our low-income neighbors cannot afford to retrofit and electrify their homes. Without funding, projects do not get completed. Emissions remain unabated.

3. The Federal government’s IRA funding allows for the use of up to 80% AMI to define a household as low-income, but NYSERDA refuses to use that opportunity.

4. Racial justice. The impact of this rule disproportionately hurts households of color in New York State.

5. Program design is a deliberate human decision. It CAN be changed.
WHAT CAN YOU DO WITH THIS INFORMATION?

1. Determine your communities current low-income cut-off amount. Educate your local community and electeds about this problem.

2. Attend the August 1 stakeholder webinar with NYSERDA and demand they make a more equitable and racially just program

3. Tell the Public Service Commission that they must mandate NYSERDA to change their income eligibility rules to “use AMI or SMI, whichever is higher.”

Call 800-342-3377 to leave a comment.
Thank you

For more information, please contact:

REBEKAH MORRIS
Director of Climate Initiatives
rmorris@prattcenter.net
A data-driven think tank helping the climate movement win the states
NEW EFFICIENCY NEW YORK
An appraisal of past and proposed spending

Holly Sarkisian & Juan-Pablo Velez
May 15, 2024
The PSC spent **$2.4 billion** in ratepayer dollars between 2020 and 2023.

Did they hit climate and equity goals?

The PSC is set to spend ~**$5.4B** during the **2026-2030** period.

Will they hit the goals?
To date
Decarbonization: What measures were spent on?
Equity: who got the benefits?
CLCPA alignment: How much of the need was met?

Going forward
Same questions, applied to the utility & NYSERDA proposals.
Measures under the “strategic framework”
Measures under the “strategic framework”

- Heat pumps
- Weatherization
- Some electrical efficiency
Measures under the “strategic framework”

Strategic
- Heat pumps
- Weatherization
- Some electrical efficiency

Neutral
- Not much
Measures under the “strategic framework”

**Strategic**
- Heat pumps
- Weatherization
- Some electrical efficiency

**Neutral**
- Not much

**Unstrategic**
- Lighting
- New boilers and furnaces
- Most gas efficiency
- Home reports
- Most res. electrical appliances
To date

Going forward
Decarbonization

To date

Going forward
Decarbonization

To date

½ of $2.4B went to heat pump & weatherization

Going forward
Decarbonization

To date

½ of $2.4B went to heat pump & weatherization

Going forward

unstrategic measures eliminated
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**Equity**
Decarbonization

To date
½ of $2.4B went to heat pump & weatherization

Going forward
unstrategic measures eliminated

Equity

LMI = 40% of population
LMI $ = 27% of res. spend
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$2.4B = 10% of `20-23 need
$18B gap already

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<td>$2.4B = 10%$ of `20-23 need</td>
<td>Annual budget: $1B \rightarrow 1.5B$</td>
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<td>$18B$ gap already</td>
<td>$50B$ gap by 2030</td>
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To date: Decarbonization
Going forward: Decarbonization
To date: Equity

BEFORE NENY

DURING NENY

Year

2016

2017

2018

2019

2020

2021

2022

2023

Spending

$900M

$800M

$700M

$600M

$500M

$400M

$300M

$200M

$100M

$0M

$155M

$218M

$253M

$309M

$379M

$510M

$896M

$867M

$50M

$121M

$141M

$166M

$223M

$213M

$510M

$25M

$111M

$13M

$163M

$213M

$153M

$667M

$70M

$88M

$187M

$10M

$96M

$162M

$215M

unknown

neutral

building shell (strategic)

non-strategic

other strategic

heat pumps (strategic)
To date: Equity
To date: Equity
Going forward: Equity
Going forward: Equity
Going forward: Equity

Chart showing the percent of spending for different sectors from 2020 to 2030. The sectors include Multisector, Multifamily (Market-rate), Multifamily (LMI), Commercial, 1-4 Residential (Market-rate), and 1-4 Residential (LMI). The chart indicates a decrease in spending for Multifamily (LMI) and an increase in spending for Commercial over the years.
To date: CLCPA
To date: CLCPA
To date: CLCPA
Going forward: CLCPA
ITS TIME TO

Q&A

Type in the comment below
Our Three Key Objectives

- **Invest In Our Communities** by allocating *50% of the overall NENY budget* to LMI households and DAC programs, prioritizing structural barrier removal and building shell improvements.

- **Make the Programs Easy to Use and meet people where they are.** Make applications simple, standardize incentives, and speed up approvals.

- **Value Our Lives, Our Health, Our Comfort, Our Safety** by incorporating health and other benefits into the calculations that inform investment decisions.
Get Involved with NENY!

- Sign up for NYSERDA LMI Stakeholder Meeting on 8/1, 1-3PM
- Join us in Albany on Thursday, September 19th for the PSC Meeting: bit.ly/NYSERDALMI
- Sign up for NENY News listserv