



119 Washington Avenue, Suite 103
Albany, NY 12210
518.432.1405
info@aceny.org | www.aceny.org

DATE: May 16, 2022

TO: The Hon. Michelle L. Phillips, Secretary, New York State Public Service Commission

FROM: Deb Peck Kelleher, Alliance for Clean Energy New York

RE: Comments on Petition of Consolidated Edison to Support Clean Heat Market Growth Through Transfer of Unspent and Previously Authorized Funding, Case 18-M-0084

In response to the Notice Soliciting Comments in the Matter of a Comprehensive Energy Efficiency Initiative (Case 18-M-0084) proceeding, the Alliance for Clean Energy New York ("ACE NY") respectfully submits these brief Comments on the Petition of Consolidated Edison to Support Clean Heat Market Growth Through Transfer of Unspent and Previously Authorized Funding filed on February 24, 2022.

ACE NY is a member-based organization with a mission of promoting the use of clean, renewable electricity technologies, transportation electrification and energy efficiency in New York State to increase energy diversity and security, boost economic development, improve public health, and reduce air pollution. Our diverse membership includes companies engaged in the full range of clean energy technologies as well as consultants, academic and financial institutions, and not-for-profit organizations interested in our mission.

In these Comments, we (1) support the proposed transfer of funds to ensure the continued stability of the Clean Heat program, (2) ask the Commission to consider during the interim review of the program both any changes needed to ensure sustainability of the Clean Heat Program and the set-aside of funding for multi-family buildings.

The Consolidated Edison (Con Edison) Petition proposes to 1) transfer of previously collected unspent funds from legacy energy efficiency programs, 2) to transfer this portion of previously-authorized New Efficiency New York (NENY) funds, and 3) change the NENY non-electric Low-to-Moderate Income (LMI) goals from annual to cumulative.

The NYS Clean Heat program has been successful in transforming the number of heat pump installations and amount of workforce training in just over one year. In 2021, over 21,000 heat pumps were installed through the Clean Heat program and LIPA's similar program¹. The Program had energy savings of over 994,000 MMBtu. The Clean Heat program is a

¹ NYS Clean Heat 2021 Annual Report
<https://documents.dps.ny.gov/public/Common/ViewDoc.aspx?DocRefId={315D85D9-3E3B-43D8-BFCB-2DA89144FE94}>

necessary part of the steps our State needs to take to electrify our buildings and meet the emission reduction goals of the Climate Leadership and Community Protection Act.

Due to the success of Con Edison's Clean Heat Program, it is important that these market gains not be lost by a delay or halt in incentives. We support the transfer the total \$418 million in funding to the Clean Heat Program to support market stability through the end of 2023. ACE NY urges the Commission to move quickly in their consideration of the Con Edison petition to ensure that the restoration of funding is available as soon as possible.

We are concerned about the long-term sustainability of the Clean Heat program and the possibility of future delays in the availability of fundings at Con Edison or other utilities. We are asking the Commission to consider in the interim program review what actions need to be taken to ensure that a sustainable and stable marketplace and a program with greater deployment at lower costs. Heat pumps offer consumers, utilities, and our State climate emission and energy bill reductions. We need to explore how to structure and maintain the Clean Heat Program into the next decade.

ACE NY also requests that during the interim review there is consideration of minimum set asides of Clean Heat program funding for multi-family and single family buildings. The review processes for the two programs are different, and as such, it takes longer for fund approvals for multi-family buildings. Given the length of time for planning and review of multi-family projects, the use of minimum set asides would ensure that funding would be available. The interim review should also consider if the utilities should have discretion to set equipment specification rules for the multi-family building program, especially given the different building typologies in New York City compared to other metro regions in the State.

ACE NY supports the transfer the total \$418 million in funding to the Clean Heat program to support market stability through the end of 2023, and ask the Commission to approve the petition at their next meeting.