

STATE OF NEW YORK
PUBLIC SERVICE COMMISSION

At a session of the Public Service
Commission held in the City of
Albany on July 11, 2019

COMMISSIONERS PRESENT:

John B. Rhodes, Chair
Diane X. Burman, dissenting
James S. Alesi
Tracey A. Edwards

CASE 19-M-0265 - In the Matter of a Program to Encourage Clean
Energy in Westchester County Pursuant to Public
Service Law Section 74-a.

ORDER APPROVING WESTCHESTER COUNTY CONSUMER AWARENESS PROGRAM

(Issued and Effective July 11, 2019)

BY THE COMMISSION:

INTRODUCTION AND BACKGROUND

The 2019 New York State Budget Bill amended the New York State Public Service Law (PSL) by adding a new section, 74-a. PSL §74-a requires the Public Service Commission (Commission) to, within ninety days of April 1, 2019, and in consultation with the New York State Energy Research and Development Authority (NYSERDA), establish a program to encourage the installation of renewable energy resources and energy efficiencies in the county of Westchester. This program will work in concert with the Westchester Clean Energy Action Plan (the Action Plan) announced on March 14, 2019.¹

¹ Case 19-G-0080, Staff Investigation into a Moratorium on New Natural Gas Services in the Consolidated Edison Company of New York, Inc. Service Territory, New York State Announces \$250 Million Westchester Clean Energy Action Plan.

The Action Plan was developed in response to the moratorium on new firm service connections for natural gas in parts of Westchester County that was announced by Consolidated Edison Company of New York, Inc. (Con Edison) on January 17, 2019, due to the associated gas supply constraints. The Action Plan includes:

- A \$165 million Con Edison program supporting heat pumps and energy efficiency;
- A \$28 million NYSERDA program for new construction incentives and services for new customers, including low-to moderate-income residential development and waitlisted natural gas customers, to access alternative heating and cooling systems and energy efficiency services;
- A \$25 million NYSERDA program to implement energy efficiency measures for existing customers to reduce overall peak demand constraints;
- Additional NYSERDA incentives for residential and commercial customers in the moratorium areas to install clean heating and cooling systems;
- \$32 million in financing services provided by the New York Power Authority (NYPA) for its Westchester customers to retrofit heating systems with clean energy alternatives;
- A consumer awareness campaign to be led by NYSERDA to help customers and communities access programs and incentives; and,
- Sustainable and clean energy workshops to be sponsored by NYSERDA.

The funding for programs announced in the Action Plan has already received necessary Commission approvals. Con Edison's efforts were authorized in the Commission's February 7, 2019 Order Approving with Modification the Non-Pipeline Solutions Portfolio.² NYSERDA's efforts are part of the Clean Energy Fund as authorized in the Commission's January 21, 2016 Order Authorizing the Clean Energy Fund Framework, and as

² Case 17-G-0606, Petition of Consolidated Edison Company of New York, Inc. for Approval of the Smart Solutions for Natural Gas Customers Program, Order Approving With Modification the Non-Pipeline Solutions Portfolio.

approved pursuant to the process for program Investment Plans under the Clean Energy Fund.³

The Secretary to the Commission issued a Notice Seeking Comments Regarding Implementation of Public Service Law Section 74-a (Notice) on April 25, 2019. The Notice requested that NYSERDA file a plan for a proposed consumer awareness campaign and sustainable and clean energy workshop program that would work in concert with the Action Plan, including a description of coordination with Con Edison and Westchester County. NYSERDA filed a plan on May 24, 2019 for the Westchester County Consumer Awareness Program (the Awareness Program), which includes an outreach campaign and community workshops.

This Order approves NYSERDA's proposed Awareness Program and directs its implementation. In addition, NYSERDA is directed to ensure that the implementation of the Awareness Program reflects the recommendations made in a number of comments filed by public officials, advocacy organizations, and interested stakeholders.

SUMMARY OF NYSEDA FILING

NYSERDA explains that the Awareness Program was developed with input from Westchester County and Con Edison and that NYSERDA will work with and coordinate messaging with Westchester County, Con Edison, and NYPA to implement the Awareness Program and avoid customer confusion. NYSERDA states that the Awareness Program will complement the Action Plan by increasing customer awareness and understanding of clean energy solutions and available incentives, which will increase uptake,

³ Case 14-M-0094, Clean Energy Fund, Order Authorizing the Clean Energy Fund Framework.

lower customer acquisition costs, and ensure potential value is maximized.

NYSERDA explains that the Awareness Program will be informed by baseline research on awareness, perceptions, and understanding of Con Edison's temporary moratorium and clean heating and cooling technologies and energy efficiency measures. This baseline research will inform a tiered marketing approach, with market segmentation designed to reach individuals making energy purchasing decisions with relevant information. The marketing will include outreach through print, on-line, cable television, and outdoor advertising, as well as one-on-one engagement and workshops targeted at the most relevant market actors. The marketing will also seek to educate all residents on the options available to reduce their energy use and carbon footprint, and/or heat and cool their spaces without the use of fossil fuels. NYSERDA lists a number of tactics that will be used to increase the effectiveness of the Awareness Program, including cobranding, a focus on months leading up to the heating and cooling seasons, development of an effective on-line landing environment, and leveraging of local community partnerships.

NYSERDA also discusses workshops, events, and similar strategies that will be used as part of the Awareness Program. NYSERDA explains that it will work with trade associations and professional organizations, as well as Westchester County, local municipal governments, industrial development authorities, Con Edison, NYPA, and the Hudson Valley Regional Economic Development Council to schedule and promote workshops regarding clean energy and energy efficiency for existing and new construction buildings. NYSERDA will also work with Con Edison's Regional Community Affairs Group, an existing forum to engage residential consumers, and Sustainable Westchester's

Clean Heating and Cooling Communities campaign. In addition, NYSERDA will partner with Westchester Boards of Cooperative Educational Services and Westchester College to build clean heating and cooling technologies into the curriculum and develop and grow the delivery network of providers and newly trained contractors.

NYSERDA explains that the effectiveness of the program will be measured through tracking media performance, website traffic and activity, comparison of awareness to baseline studies, and monitoring the effectiveness of the Action Plan programs. NYSERDA anticipates an average annual budget for the Awareness program of approximately \$920,000 to be funded from NYSERDA's Clean Energy Fund, which would support workshops, brochures, print, media and a web-based landing environment. The Awareness Program is expected to last up to three years and may be expanded, in part or in whole, as the Clean Energy Action plan evolves to meet future areas affected by gas system constraints in New York State.

PUBLIC NOTICE

Pursuant to the State Administrative Procedure Act (SAPA) §202(1), a Notice of Proposed Rulemaking was published in the State Register on April 24, 2019 [SAPA No. 19-M-0265SP1]. Moreover, the Secretary to the Commission issued the Notice Seeking Comments Regarding Implementation of Public Service Law Section 74-a on April 25, 2019. The time for submission of comments pursuant to the Notices expired on June 24, 2019. In addition, public statement hearings were held at the White Plains Public Library on June 19, 2019. Comments were made at the public statement hearing by Westchester County Executive George Latimer, Mayor of White Plains Thomas M. Roach, Ron Kamen of Sustainable Westchester, Timothy Foley, representing

Assemblymember Amy Paulin, and Bob Wyman. Comments were filed by EarthJustice and the Pace Energy and Climate Center (filing as the Public Interest Groups), the Association for Energy Affordability and E4TheFuture (AEA), the Utility Intervention Unit (UIU), and Assemblymember Amy Paulin.

SUMMARY OF COMMENTS

The commenters universally supported the Awareness Program as an important tool to enhance the effectiveness of the Action Plan. Several commenters made recommendations on how to maximize the success of the Awareness Program and the Action Plan.

Westchester County Executive Latimer stated that, through the Awareness Program and Action Plan, Westchester County could become a template for what is possible in addressing climate issues. He encouraged collaboration with Westchester County as a resource to inform residents about programs and opportunities.

Mayor Roach emphasized the importance of simple and clear information and communication and recommended that a single website be developed detailing all components of the Action Plan. He encouraged NYSEERDA to work with White Plains and other local governments.

Assemblymember Paulin stated that options for particular market segments should be as streamlined as possible and that, in particular, options for residential customers should be broadly and clearly communicated. She recommended consideration of the tactics used by the Sonoma County Energy Independence Program in California and other programs operated in other states.

Ron Kamen of Sustainable Westchester expressed support for the program and emphasized Sustainable Westchester's

interest in supporting clean energy education and deployment. Bob Wyman suggested that existing programs to educate children about energy matters, such as Con Edison's Smart Kids Program, be expanded to include information about heat pumps. He stated that the Awareness Program should educate people on how to compare the costs of heat pumps to other options, stating that heat pumps are generally the most economic option.

UIU stated that outreach activities related to heat pumps should fully explain the possible need for back-up heat sources. UIU also stated that a cost calculation tool should be developed to help customers compare heat pumps with other options. UIU noted that Central Hudson Gas and Electric Corporation has already developed such a tool and Orange & Rockland Utilities, Inc. is working on a similar tool.

The Public Interest Groups stated that, in addition to informing and educating Westchester County residents about the renewables and efficiency options available in their area, the Awareness Program should include information about the broader economic benefits of renewables and efficiency and their critical importance to meeting the State's clean energy and climate goals. The Public Interest Groups also encouraged the full inclusion of low- and moderate-income customers in the Awareness Program and Action Plan, both individually and through affordable multifamily building owners and managers. In addition, the Public Interest Groups recommend coordination with local stakeholders and weatherization services providers, who, as part of providing whole building envelope services to multifamily affordable buildings, can serve as important community partners.

AEA recommends close collaboration with service providers, vendors, building owners, and real estate and tenant groups. AEA also recommends targeting of contractors, including

weatherization providers. AEA states that education should include information on usage and operation of systems after they are installed.

LEGAL AUTHORITY

This Order is pursuant to and consistent with PSL §74-a, which, as discussed above, requires the Commission to, within ninety days of April 1, 2019 and in consultation with NYSERDA, establish a program to encourage the installation of renewable energy resources and energy efficiencies in the county of Westchester. It is also consistent with the Commission's responsibility and authority under the PSL to ensure that utilities carry out "their public service responsibilities with economy, efficiency, and care for the public safety, the preservation of environmental values and the conservation of natural resources." PSL §5(2); see also PSL §66(3). Pursuant to the New York Energy Law (Energy Law), including §§ 3-103 and 6-104, the Commission is required to consider actions to effectuate State energy policy and the New York State Energy Plan. In fulfilling the mandates of the PSL and the Energy Law, the Commission has directed the development and implementation of a number of programs to increase the deployment of energy efficiency resources in New York, including the Energy Efficiency Portfolio Standard, the Clean Energy Fund, and the Energy Efficiency Transition Implementation Plans. The activities directed and authorized in this Order will continue and build upon the progress made through those programs.

DISCUSSION AND CONCLUSION

The evolution of New York's energy system envisioned by the Reforming the Energy Vision initiative and the State's clean energy goals and programs depends on the informed

participation of citizens. In order to participate in that evolution by managing their usage, gas and electric customers must understand what options they have and how their decisions will impact the utility systems. In order to take advantage of the clean energy and energy efficiency programs offered by NYSERDA, the utilities, and others, customers and developers must know what programs are available and how those programs can benefit them. The success of such programs can help customers manage their usage and bills, efficiently heat their homes or buildings when natural gas isn't available, and drive more efficient usage of the utility systems.

The Awareness Program proposed by NYSERDA will serve all of these purposes. It will educate customers on both how their usage impacts the system and on what programs and options are available to manage their usage. It includes components targeted at different customer segments and groups and focused engagement with each group. It involves collaboration with local governments and community groups and supports the development of new partners in clean energy and energy efficiency fields.

In implementing the program, NYSERDA should consider the advice offered by commenters. In particular, as recommended by Assemblymember Paulin, Westchester County Executive Latimer, and Mayor Roach, NYSERDA should ensure that the information on, and process for, taking advantage of programs is as streamlined as possible, and should work with local governments and officials to inform communities; as recommended by AEA and the Public Interest Groups, NYSERDA should be careful to include all potential market segments in its outreach, including affordable housing providers, low- and moderate-income individuals, and weatherization contractors; and, as recommended by UIU and Bob Wyman, NYSERDA should provide access to detailed and accurate

information about the benefits, costs, and decisions associated with the installation of heat pumps.

New York's energy goals will only be achieved through widespread participation in the increasingly distributed, efficient, and clean system envisioned by the Reforming the Energy Vision initiative. Such participation must be driven by collaboration between the State, utilities, local governments, community organizations, developers, and citizens. The implementation of the Awareness Program, leveraging the benefits of that collaboration, will comply with PSL §74-a and advance the development of a clean and distributed energy system in Westchester County.

The Commission orders:

1. The Westchester County Consumer Awareness Program, as described in the May 24, 2019 filing by the New York State Energy Research and Development Authority, is approved and shall be implemented consistent with the discussion in the body of this Order.

2. This proceeding is closed.

By the Commission,

(SIGNED)

KATHLEEN H. BURGESS
Secretary