STATE OF NEW YORK
PUBLIC SERVICE COMMISSION

CASE 25-M-0248 - In the Matter of the 2026-2030 Non-Low- to Moderate-Income Energy Efficiency and Building Electrification Portfolios.

ORDER AUTHORIZING REGIONAL RESIDENTIAL WEATHERIZATION PROGRAMS

Issued and Effective: August 14, 2026

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STATE OF NEW YORK
PUBLIC SERVICE COMMISSION

At a session of the Public Service
Commission held in the City of
Albany on August 13, 2026

COMMISSIONERS PRESENT:

Rory M. Christian, Chair
James S. Alesi
David J. Valesky
John B. Maggiore
Uchenna S. Bright
Denise M. Sheehan
Radina R. Valova

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BY THE COMMISSION:

INTRODUCTION

In this Order, the Public Service Commission (Commission) approves, with modifications, the Regional Residential Weatherization Program proposals set forth by New York State's major investor-owned utilities (the Utilities),[1]

[1] The Utilities include Central Hudson Gas & Electric Corporation (Central Hudson); National Fuel Gas Distribution Corporation (NFG); Niagara Mohawk Power Corporation d/b/a National Grid (Niagara Mohawk); New York State Electric & Gas Corporation (NYSEG); Orange and Rockland Utilities, Inc. (O&R); Rochester Gas and Electric Corporation (RG&E); Consolidated Edison Company of New York, Inc. (Con Edison); KeySpan Gas East Corporation d/b/a National Grid (KEDLI); and The Brooklyn Union Gas Company d/b/a National Grid NY (KEDNY).

and authorizes budgets and establishes energy savings targets for the Upstate and Downstate Non-Low- to Moderate-Income (LMI) Regional Residential Weatherization Programs. Additionally, this Order directs the Utilities to file annual reports, convene contractor roundtables and engagements, continuously coordinate with all New York State Program Administrators offering residential weatherization programs, align Participating Contractor requirements, align Quality Assurance/Quality Control requirements, ensure that Non-LMI incentives are lower than LMI incentives for comparable project scopes, and to work with the New York State Energy Research and Development Authority (NYSERDA) to leverage existing NYSERDA-administered financing programs, among other directives.

BACKGROUND

On May 15, 2025, the Commission issued the Order Authorizing Non-Low- to Moderate-Income Energy Efficiency and Building Electrification Portfolios for 2026-2030, which approved, with modifications, NYSERDA and the Utilities' (also referred to collectively as Program Administrators (PAs)), energy efficiency and building electrification (EE/BE) proposals and authorized budgets for the Non-LMI EE/BE portfolios for the 2026-2030.[2] The May 2025 Non-LMI EE/BE Order builds on two decades of Commission action to support energy efficiency programs across the state. Importantly, since the Commission considers weatherization as a key strategy to help reduce energy consumption, lower energy bills, and reduce demand on the overall energy system, the May 2025 Non-LMI EE/BE Order directed

[2] Case 14-M-0094 et al., Clean Energy Fund, Order Authorizing Non-Low- to Moderate-Income Energy Efficiency and Building Electrification Portfolios for 2026-2030 (issued May 15, 2025) (May 2025 Non-LMI EE/BE Order).

Central Hudson, NFG, Niagara Mohawk, NYSEG, O&R, and RG&E (collectively, the “Upstate Utilities”) and Con Edison, KEDLI, and KEDNY (collectively, the “Downstate Utilities”) to file separate Non-LMI Regional Residential Weatherization Program (RRWP) proposals to serve Non-LMI small residential homes (1-4 family) and, for the Downstate Utilities only, Non-LMI multifamily residential building customers as well. The Upstate and Downstate Utilities are collectively described as the “Utilities” herein. The Commission directed the Utilities to commence operation of the respective RRWPs no later than January 1, 2027. The May 2025 Non-LMI EE/BE Order further instructed NYSERDA to continue operating the Comfort Home program, a Non-LMI weatherization program, until the Upstate and Downstate RRWPs commenced operation.

The May 2025 Non-LMI EE/BE Order outlined requirements for the Upstate and Downstate RRWP proposals. It required that the proposals be tailored to the regional building stock, include a consolidated approach for procurement of certain administration and implementation functions, and provide a streamlined shared services model for program implementation functions. The May 2025 Non-LMI EE/BE Order also prescribed minimum program budget allocations to the Utilities, which were based on guidance to allocate at least 50% of the gas EE/BE portfolio program budgets and 25% of the electric EE/BE portfolio program budgets towards their RRWPs.[3] The Commission directed that electric utilities serve as the primary lead for the RRWPs, with gas utilities supporting the program through direct customer outreach, marketing, and financial support. The

[3] “Program budget,” as used in this context, represents the budget available for programs not including labor, Evaluation Measurement & Verification (EM&V), and non-labor administration costs.

Utilities were instructed to include details on differentiated incentives for defined graduated tiers of weatherization levels, the administrative structure for program coordination between the Utilities and NYSERDA, annual and total budgets, and projected energy savings. Additionally, the Commission directed the electric utilities to offer differentiated NYS Clean Heat incentives such that significantly higher incentives would be provided for projects in which the building met an adopted minimum weatherization level and then phase out incentives, by March 1, 2028, for homes that do not meet minimum building weatherization levels. The Utilities were also required to demonstrate that the incentives offered through their EE/BE Non-LMI programs do not exceed those available to LMI customers for similar measures/work scopes and establish a process to ensure this differentiation and coordination occur on an ongoing basis.

The May 2025 Non-LMI EE/BE Order instructed Department of Public Service (DPS) staff to convene one or more technical conferences to aid the Utilities in the development of the RRWPs by exploring best weatherization practices in New York and other jurisdictions. The first technical conference, focused on the upstate region and building stock, was held in Albany on June 17, 2025. The second technical conference, focused on the downstate region and building stock, was held in New York City on June 26, 2025. Both technical conferences convened panel presentations and discussions from building science experts, program administrators for existing residential weatherization programs in New York, weatherization contractors and aggregator representatives, and industry leaders and experts from other jurisdictions.

REGIONAL RESIDENTIAL WEATHERIZATION PROGRAM PROPOSALS

The Upstate Utilities and the Downstate Utilities each filed RRWP proposals on August 13, 2025; the Upstate Utilities filed updates to their original proposal on August 28, 2025, to correct minor errors. On November 24, 2025, DPS staff filed the Preliminary Non-LMI EE/BE Implementation Plan Compliance Letter, which addressed other, non-RRWP, aspects of the Utilities' Non-LMI EE/BE portfolios as well as approved the continuation of existing individual utility-administered comprehensive residential weatherization programs in 2026, at or near 2025 funding levels, until the Upstate and Downstate Utilities commence operation of their respective RRWPs. The DPS staff Compliance Letter also directed the Utilities to discontinue offering Do-it-Yourself type programs, including weatherization-focused Retail Product programs, and to refrain from offering any new Midstream EE/BE programs without first providing further support and justification to DPS staff.

The Upstate and Downstate Utilities each filed updates to their original RRWP proposals on January 15, 2026, to reflect the guidance provided by DPS staff in the Preliminary Non-LMI EE/BE Implementation Plan Compliance Letter. The Downstate Utilities filed corrections to their updated proposal on January 23, 2026, and subsequently on March 6, 2026, to address minor errors, and the Upstate Utilities filed corrections to their updated proposal on March 4, 2026, to address minor errors.

The Upstate and Downstate Utilities proposed a framework to offer a region-wide set of weatherization incentives within each of their respective territories to reduce market confusion and to streamline operations to jointly procure contractors and limit administrative costs.

The Upstate and Downstate RRWP proposals set forth a plan to use a single Implementation Contractor to administer the

RRWPs within their respective regions. The Upstate Utilities propose a single, combined budget and target for the entire region. The Downstate Utilities propose a single, combined budget and target for Con Edison and KEDNY that would address all activity in New York City and Westchester County, while KEDLI would manage a mirroring program using the same Implementation Contractor, but with its own budget and target for its service territory.

NOTICE OF PROPOSED RULE MAKING

Pursuant to the State Administrative Procedure Act (SAPA) §202(1), Notices of Proposed Rulemakings (Notices) were published in the State Register on September 10, 2025 [SAPA Nos. 25-M-0248SP1 and 25-M-0248SP2]. The time for submission of comments pursuant to the Notices expired on November 10, 2025. Moreover, on September 24, 2025, the Secretary to the Commission (Secretary) issued a Notice Soliciting Comments (Secretary's Notice) on the Upstate and Downstate Regional Residential Weatherization Program proposals, due by November 10, 2025.

In response to the above notices, the Commission received three sets of comments relating specifically to the Upstate and Downstate RRWP proposals, along with additional comments on other residential weatherization programs relevant to the content of this Order. In addition, several comments were received on items relevant to the Non-LMI EE/BE portfolio or containing similar content as comments on the RRWP proposals. These comments represented twenty-four individual organizations. All comments are referenced below in the Summary of Comments; comments directly relevant to the RRWP Proposals are additionally addressed within the relevant sections of the Discussion.

LEGAL AUTHORITY

The Public Service Law (PSL) provides the Commission with broad authority to direct actions 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.[4] In particular, PSL §4(1) expressly imbues the Commission with "all powers necessary or proper to enable [the Commission] to carry out the purposes of [the PSL]" which include, without limitation, the provision of safe and adequate service at just and reasonable rates,[5] environmental stewardship, and the conservation of resources.[6] Further, PSL §5(1) provides that the "jurisdiction, supervision, powers and duties" of the Commission extend to the "manufacture, conveying, transportation, sale or distribution of ... electricity." Under PSL §5(2), the Commission is required to "encourage all persons and corporations subject to its jurisdiction to formulate and carry out long-range programs, individually or cooperatively, for the performance of their public service responsibilities with economy, efficiency, and care for the public safety, the preservation of environmental values and the conservation of natural resources."

Additionally, PSL §65(1) grants the Commission authority to ensure that "every electric corporation and every

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[4] PSL §5(2); see also PSL §66(3).

[5] See Int'l Ry. Co. v. Pub. Serv. Comm'n, 264 A.D. 506, 510 (1942).

[6] PSL §5(2); see also Consolidated Edison Co. of N.Y., Inc. v. Pub. Serv. Comm'n, 47 N.Y.2d 94 (1979) (overturned on other grounds) (describing the broad delegation of authority to the Commission and the Legislature's unqualified recognition of the importance of environmental stewardship and resource conservation in amending the PSL to include §5).

municipality shall furnish and provide such service, instrumentalities and facilities as shall be safe and adequate and, in all respects, just and reasonable." The Commission has further authority under PSL §66(5) to prescribe the "safe, efficient and adequate property, equipment and appliances thereafter to be used, maintained and operated for the security and accommodation of the public" whenever the Commission determines that the utility's existing equipment is "unsafe, inefficient or inadequate." Moreover, PSL §66(2) provides that the Commission shall "examine or investigate the methods employed by ... persons, corporations and municipalities in manufacturing, distributing and supplying ... electricity ... and have power to order such reasonable improvements as will best promote the public interest, preserve the public health and protect those using such ... electricity."

Pursuant to the State Energy Law, the Commission is required to consider actions to effectuate State energy policy and the New York State Energy Plan, which includes increased energy efficiency as a major contributor to New York's energy future.[7] In fulfilling the mandates of the PSL and the State 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 State, including the EE/BE programs authorized in the Non-LMI and LMI EE/BE Orders and the Clean Energy Fund (CEF). The activities directed and authorized in this Order will continue and build upon the progress made through those programs. Furthermore, these actions are in accordance with the Climate Leadership and Community Protection Act (CLCPA), which specifically authorizes the Commission, as well as other state agencies, to take actions

[7] State Energy Law §§3-103 and 6-104.

to contribute to achieving the statewide Greenhouse Gas (GHG) emission limits.

DISCUSSION

The Commission must balance the pursuit of GHG emission reductions aligned with CLCPA decarbonization policy objectives with affordability concerns. Weatherization is a key energy efficiency strategy that, regardless of the fuel type that a customer uses for its heating, ventilation, and air conditioning (HVAC) system, can reduce energy usage, thereby reducing energy costs and saving customers money. Weatherization can also ensure that residential customers that choose to pursue electrification of their space heating in the future are ready to do so in the most efficient manner. Efficient building electrification is essential to mitigate the anticipated future winter electric demand and lower total future energy system costs for all ratepayers.

The May 2025 Non-LMI EE/BE Order instituted a major shift from the predominant utility-administered energy efficiency measures and offerings of the past two to three decades (e.g., lighting and more efficient gas combustion equipment) to a focus on more strategic measures, including comprehensive building electrification and weatherization. The RRWPs are an important strategy in an efficiency-first approach to building electrification. Given the RRWPs represent a new approach and focus for the Utilities, it is inevitable that the programs will need to be flexible to respond to evolving market conditions and experience in the field. It is equally necessary that the Utilities work closely with NYSERDA to ensure a seamless transition as the RRWPs launch and align the RRWPs closely with other EE/BE programs that serve the LMI and market-rate sectors.

Additionally, as recognized in the May 2025 Non-LMI EE/BE Order, operational and administrative efficiencies must be sought to ensure ratepayer funds are used in the most efficient manner. The RRWP approach promotes standardization of Non-LMI small residential home (1-4 family) weatherization programs across the State, helping to lower administrative costs and maximize the use of ratepayer funds that directly support program offerings.

Non-LMI Small Residential Home (1-4 Family) Weatherization

Both the Upstate and Downstate proposals include offerings for small residential homes that build upon lessons learned from existing and previously offered utility-administered residential weatherization programs and NYSERDA's Comfort Home program.[8] The proposals include a simplified tiered incentive package approach that would allow customers the flexibility to select the measure package that best aligns with their circumstances, but also reward them if they choose to do more. A tiered package approach groups several complimentary weatherization measures together in different packages and pays higher incentive levels for those that include more comprehensive weatherization services.

Both the Upstate and Downstate proposals provide two illustrative tiers based on current planning but advise that they may change over time. The proposed Tier 1 package includes whole-home air sealing, attic/ceiling insulation and rim joist insulation, while the proposed Tier 2 package includes all measures in Tier 1 plus exterior wall insulation and at least

[8] Existing utility-administered residential weatherization programs include Con Edison's Weather Ready program, National Grid's Total Home Comfort program, NYSEG and RG&E's Home Insulation and Air Sealing Program, O&R's Residential Weatherization program, and NFG's Conservation Incentive Program.

one other qualifying insulation measure. The Upstate Utilities anticipate offering a base incentive for small residential homes with only one dwelling unit with additional per dwelling unit incentives for two-to-four-unit buildings. The Upstate and Downstate Utilities propose offering bonus incentives for projects located in Disadvantaged Communities; the Upstate Utilities state that they may consider bonus incentives in the form of customer rebates or Participating Contractor incentives. The Upstate and Downstate Utilities state that they would also consider Participating Contractor incentives more broadly as a tool to drive project volume region-wide. Both proposals stress that flexibility is needed in setting incentives and tier design to respond to market changes as well as lessons learned when launching this new program. The Utilities propose that actual incentive levels and certain program specifics, such as measure installation requirements, should be published in their respective RRWP Program Manuals.

In their comments, NYSERDA recommends that the Utilities adopt program offerings and designs that align as much as possible with the existing Comfort Home program in order to facilitate a smooth transition to the new regional programs.[9] The Comfort Home program currently offers a tiered package approach for weatherization measures similar to the structure proposed by the Upstate and Downstate Utilities. NYSERDA further recommends that the program design focuses on end-state building envelope performance, instead of incremental energy savings.[10] Buffalo Energy, Hughesco of Rochester, MIG Building Systems, and Sealed (Buffalo Energy et al.) and the Alliance for Clean Energy New York (ACE-NY) conversely recommend building the

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[9] Comments of NYSERDA, p. 2.

[10] Comments of NYSERDA, p. 3.

RRWP on other residential weatherization models, including NYSEG/RG&E's Home Insulation and Air Sealing Program (HIASP), which does not take a tiered package approach to incentives and, instead, provides a standard rebate for a minimum project scope or a custom rebate based on the project's measured energy savings.[11] Buffalo Energy et al. argue that tiered incentives create unnecessary complexity by tying incentive amounts to project scope.[12]

The May 2025 Non-LMI EE/BE Order instructed the Utilities to adopt "defined graduated tiers of weatherization levels for differentiated incentive levels," with the goal of "balancing an ideal program model with simplicity of incentive program design to optimize customer participation while also driving much greater weatherization uptake."[13]

The Commission finds that bundling individual weatherization measures together into graduated tiered weatherization packages is a practical approach. However, the Commission notes that neither the Upstate nor Downstate Utilities' proposals include discussion of whether a customer that previously hired a Participating Contractor to install a lower tiered weatherization package through the RRWP would be eligible to install additional weatherization measure(s) at a later date. Therefore, the Upstate and Downstate Utilities shall continue to coordinate with DPS staff, and to the extent practical NYSERDA, to further assess and evolve their Non-LMI small residential home weatherization approach and make changes to the RRWP Implementation Plans as needed. Substantive changes

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[11] Comments ACE NY, p. 3.

[12] Comments of Buffalo Energy, Hughesco of Rochester, MIG Building Systems, and Sealed (Buffalo et al.), p. 3.

[13] May 2025 Non-LMI EE/BE Order, p. 30.

to the RRWPs would require DPS staff approval prior to implementation.

Non-LMI Multifamily Residential Weatherization

The May 2025 Non-LMI EE/BE Order directed the Downstate Utilities to include multifamily building offerings in their RRWP planning. However, Upstate Utilities are to continue offering weatherization programs for Non-LMI multifamily buildings through distinct, non-regional, utility-administered programs. Additionally, both the Upstate and Downstate Utilities are to serve commercial and industrial buildings through distinct, non-regional, utility-administered programs.

The Downstate RRWP proposal seeks to build on Con Edison and National Grid’s prior comprehensive multifamily weatherization programs. Past success of these programs has been driven by attic insulation, in which insulation is typically blown into the cavity between the ceiling of the top floor and the roof deck. Con Edison and National Grid have offered incentives on an “à la carte” basis, where customers can choose which measure(s) would work best for them. The Downstate Utilities propose to continue this strategy in their multifamily weatherization offerings. They assert that the diversity of the building stock in the region would make it challenging to design tiered measure packages, like those proposed for small residential homes, that would be effective for all the multifamily building typologies found in New York City, Westchester, and Long Island. However, to encourage customers to undertake multiple measures, the Downstate Utilities would consider implementing an “adder” if the customer performs more than one weatherization measure.

The Downstate Utilities intend to focus primarily on three measures for their multifamily weatherization offerings — attic insulation, wall insulation, and window replacements.

Under the Downstate Utilities' proposal, information on multifamily building RRWP incentive levels and structure would be included with all other multifamily incentives in their respective multifamily program manuals.

The Downstate Utilities propose to consider additional incentives for Non-LMI multifamily projects that pair one of the three insulation measures with air sealing. They claim that air sealing in multifamily projects has not historically been attractive to customers, due to a combination of insufficient energy savings and incentives, and the need to access tenant space. However, they believe that project economics would be more attractive if air sealing is paired with another weatherization measure.

The Downstate Utilities propose to offer RRWP incentives for Non-LMI multifamily customers through the Downstate Utilities' broader multifamily programs. They believe this strategy would allow them to market a suite of offerings more easily and cost effectively to the multifamily building sector.

The Commission finds that the Downstate proposal's "à la carte" approach to offering multifamily residential weatherization services is reasonable given the diverse multifamily building stock of the downstate region. Further, given the Commission's preference for comprehensive residential weatherization projects, the Downstate Utilities shall include an additional incentive, as described in the proposal, to customers who complete air sealing in concert with at least one of the primary weatherization measures. Additionally, the Downstate Utilities' proposed approach of offering multifamily customers weatherization services through their broader suite of multifamily programs will present a more streamlined set of multifamily offerings, minimizing the potential for duplicative actions from both a utility implementation and customer standpoint. However, the Commission instructs the Downstate Utilities to ensure that the multifamily RRWP program activities are conducted utilizing the same streamlined and shared services approach where all of the RRWP budget and expenditures are pooled, in the same manner as proposed to serve the small residential home. Additionally, all RRWP activity shall be tracked and reported as part of the broader Downstate RRWP reporting process, as instructed below in the Reporting Schedule and Program Manual" subsection. Therefore, the Downstate Utilities shall continue to coordinate with DPS staff, and NYSERDA as necessary, to further assess and evolve their Non-LMI multifamily weatherization approach and make changes to the RRWP Implementation Plan as needed. Substantive changes to the RRWPs would require DPS staff approval prior to implementation.

Disadvantaged Communities

The Upstate and Downstate Utility Proposals briefly outline a Disadvantaged Community Engagement Plan, whereby the Utilities would use tools such as targeted marketing campaigns, community outreach, multilingual materials, partnership with local organizations (including the Regional Clean Energy Hubs), and potentially increased incentives for projects located in Disadvantaged Communities.[14] The Upstate Utilities propose that this increased incentive could take the form of increased customer rebates or an added incentive to a contractor for projects completed in Disadvantaged Communities.[15] The Upstate and Downstate Utilities also plan to coordinate with NYSERDA and local workforce development entities to expand the pipeline of

[14] Upstate Proposal, p. 7 and p. 20; Downstate Proposal, p. 21 and p. 23.

[15] Upstate Proposal, p.7.

trained workers, particularly workers who reside in Disadvantaged Communities.[16]

Stakeholder comments highlight the continued need for EE/BE programs to address barriers to program participation in Disadvantaged Communities across the state. ACE-NY recommends that the Upstate and Downstate Utilities prioritize weatherization outreach for buildings in areas with the most demand for weatherization, especially in Disadvantaged Communities. Alliance for a Green Economy, Association for Energy Affordability, Building Decarbonization Coalition, Network for a Sustainable Tomorrow, New Yorkers for Clean Power, Pratt Center for Community Development, PUSH Buffalo, Urbecon LLC, and WE ACT for Environmental Justice (AGREE et al.) recommend adopting a neighborhood or block-level model for the RRWP deployment, with a specific focus on Disadvantaged Communities and areas that are designated as, or have the potential to be, good candidates for non-pipe and non-wire alternatives. In addition, AGREE et al. recommend conducting an interim review of the RRWPs to determine where RRWP funding has been deployed, and whether RRWP funds have been deployed in a way to maximize impact in Disadvantaged Communities.

The Commission finds that the Upstate and Downstate Proposals are not sufficiently detailed in their plans for reducing barriers to participation in the RRWPs in Disadvantaged Communities. While considering a higher incentive for projects located in Disadvantaged Communities may be one action or tool to reduce barriers to participation in the RRWPs, it should not be the only strategy for increasing the uptake of weatherization projects withing Disadvantaged Communities. The Commission, therefore, directs the Upstate and Downstate Utilities to

[16] Upstate Proposal, p.17; Downstate Proposal, p.21.

include additional strategies in the RRWP Implementation Plans, to be approved by DPS staff, that recognize the complexity and diversity of Disadvantaged Communities.

Existing resources and stakeholder recommendations provide a useful starting point for determining what strategies will be most effective in different regions of the state. For example, the Regional Assessment and Barriers Analysis (RABA) reports produced by the Regional Clean Energy Hubs provide information about barriers to program participation at a regional level.[17] Or, as suggested by AGREE et al., a neighborhood or block-level approach to program deployment could be used to identify Disadvantaged Communities that share common barriers to participation. Other approaches suggested by commenters include aligning the RRWPs with other existing energy efficiency programs, partnering with trusted community-based partners and organizations, and increasing outreach and marketing in Disadvantaged Communities. This is not intended to be an exhaustive list of strategies; rather, the Commission instructs the Upstate and Downstate Utilities to consult with DPS staff to articulate actions that will be taken to address these barriers in their forthcoming RRWP Implementation Plans.

The Commission furthermore requires the Upstate and Downstate Utilities to each convene a meeting for interested stakeholders within 45 days of the issuance of this Order to discuss the strategies they will include in their RRWP Implementation Plans to address barriers to participation in Disadvantaged Communities. Further, the Commission expects the Utilities to conduct regular stakeholder engagement, in consultation with DPS staff, to refine these strategies in subsequent annual RRWP Implementation Plans.

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[17] Case 25-M-0248, NYSERDA "Clean Energy Hubs RABA Reports" (filed January 29, 2026).

The Commission declines at this time to require an interim review of the RRWPs to specifically assess the deployment of funds and, instead, reiterates that the Upstate and Downstate Utilities are expected to actively manage the RRWPs to address participation barriers within Disadvantaged Communities. The Upstate and Downstate Utilities are also expected to coordinate with NYSERDA on the provision of services for LMI households within Disadvantaged Communities, to ensure that income-eligible households are made aware of available programs and resources to support their weatherization and energy efficiency needs. In addition, the Commission expects that ongoing monitoring by DPS staff and stakeholder engagement efforts (including the engagement requirements set out in this section), in tandem with existing and new reporting requirements, will provide necessary structure for DPS staff oversight of the RRWPs.

Pooled Funding and Energy Savings

Both the Upstate and Downstate Utilities propose to operate their RRWPs through a pooled funding approach, with the exception of KEDLI. Under the proposed pooled funding approach, collections from each utility's ratepayers would be aggregated together into a pooled fund to pay all of the program expenditures associated with the RRWPs.[18]

The Upstate and Downstate Utilities, except for KEDLI, each propose to combine their Utility-specific residential weatherization budgets into a single RRWP budget in each region, to be spent across the respective regions regardless of utility territory or whether the participating customer uses gas, electricity, or a delivered fuel to heat their home. The Upstate and Downstate Utilities assert that this approach would

[18] Upstate Proposal, pp. 10-12; Downstate Proposal, pp. 14-16.

allow for a uniform weatherization offering for all customers within their respective region. The incentive for any participating customer would be paid for by all the Utilities within that specific region, with each Utility covering a percentage of the cost based on its contribution of gas and electric funds to the region-wide RRWP program budget.[19] Implementation and marketing costs for the RRWPs would be allocated to the Utilities in the same proportion. The fuel-neutral energy savings, measured in Lifetime Million British Thermal Unit equivalents (LMMBtu-e), from the RRWPs would also be allocated to each utility based on the same proportion. The utilities that are currently offering residential weatherization programs in 2026 propose to count the energy savings achieved from utility-specific Non-LMI residential weatherization programs operating until the RRWP commences toward the utility's RRWP energy savings targets approved in this Order.

The Utilities posit that combining budgets to meet one fuel-neutral energy savings target, measured in LMMBtu-e, acknowledges that weatherization projects will reduce customers' energy usage for heating and cooling today while also preparing homes to potentially electrify their heating and mitigating electric peak demand impacts from future building electrification. A joint target, according to the Utilities, also aligns the Utilities to work together to achieve a shared goal across service territories.

While the Downstate Utilities propose a single regional budget and savings target for Con Edison and KEDNY's service territories, they propose that KEDLI manage a program that mirrors the design of Con Edison and KEDNY's joint offering

[19] See footnote 3 for the definition of "program budget."

with its own separate budget and energy savings target. KEDLI intends to hire the same RRWP Implementation Contractor as Con Edison and KEDNY to administer the program in its service territory with the same structure and requirements for residential and multifamily customers as Con Edison and KEDNY service territories.

To provide equitable access and participation for each utility's customers, the Upstate and Downstate Utilities intend to set annual project completion targets that are reasonably commensurate to each utility's share of program funding. The Upstate and Downstate Utilities each propose to report completed projects by utility service territory in Annual Reports and if the data shows territorial imbalances, they will identify ways to correct them, such as increasing marketing and contractor onboarding within the underserved territory. The Upstate and Downstate Utilities also put forward an alternative approach for equitable program distribution, where incentive dollars are tracked by utility service territory instead of project counts.

KEDLI proposes to continue engaging with Public Service Enterprise Group Long Island (PSEG-LI), the private third-party operator of the Long Island Power Authority (LIPA) electric utility, to explore options for a jointly funded and managed weatherization program for gas and electric customers on Long Island. Based on initial discussions, a joint program is unlikely to commence before 2027 because PSEG-LI's program plans, budgets, and targets for 2026 have already been approved by the Long Island Power Authority. The KEDLI budgets and energy savings targets proposed in the Downstate RRWP proposal reflect the Downstate RRWP only being offered to KEDLI gas customers on Long Island. Should KEDLI and PSEG-LI agree to a joint program in the future, KEDLI proposes to amend budgets and targets in a subsequent filing.

ACE NY, AGREE et al., and Urban Green Council provided comments supporting a regional approach for the RRWPs, with AGREE et al. arguing that a regional approach can streamline administrative costs, facilitate customer engagement, improve market predictability, provide continuity across service territories, and increase program volume and speed. Urban Green Council specifically supports the shared implementation model, using common contractors, and joint evaluation frameworks of the RRWPs. NYSERDA's comments find the pooling approach to be reasonable to "enable a more unified market-wide offer," and note that pooling will "reduce administrative burden."

Utilizing a single Implementation Contractor and co-branding marketing materials reduces the costs of each utility procuring these services individually. This approach also fosters an environment where the Utilities can leverage each other's expertise by collaborating and sharing best practices and resources to ensure that the funding is used most effectively. For these reasons, the Commission encourages KEDLI to continue engaging with LIPA, and its third-party operator, as well as the other Downstate Utilities, to explore options for a jointly managed weatherization program for gas and electric customers on Long Island.

The Commission finds the Upstate and Downstate Utilities' justification for a pooled funding approach rational and is amenable to keep the KEDLI budgets and targets separate considering that PSEG-LI is not obligated by the Commission to participate in the Downstate RRWP. A regional pooling approach allows for economies of scale, ensures region-wide equitable access, and creates a unified rather than fragmented approach. The pooled funding approach has been deployed in other jurisdictions (for example, the Mass Save program) in order to promote consistency in energy efficiency programs between utility service territories and reduce budget uncertainty.[20]

The Commission also acknowledges the benefit of setting one region-wide energy savings target to align the Utilities to work together to achieve a shared goal across service territories; however, the Commission also finds it necessary to record herein each individual utility's proportional share of the RRWP budgets and energy savings targets contained in this Order. This is necessary to provide full transparency to ratepayers to see what they are getting for their money. Furthermore, the Commission finds it unnecessary to attribute the energy savings achieved by utilities administering their utility-specific residential weatherization programs in 2026 towards the minimum RRWP targets provided in Appendix B. The minimum RRWP targets set forth in Appendix B were established based on a regional approach and any energy savings attributed towards these goals shall be achieved through regional efforts.

The Commission finds the Upstate and Downstate Utilities' proposals to set project completion targets for each service territory reasonable and instructs them to track and manage the RRWPs in consultation with DPS staff to pursue the goal of ensuring a minimum threshold of projects occur in each participating utilities' service territory. Specifically, the annual Upstate and Downstate RRWP Implementation Plans shall include project completion targets for each service territory. The Commission finds that managing the RRWPs in this way will help ensure that program activity in each utility's service territory will be reasonably commensurate with the amount of funding provided by the utility.

[20] February 2025 Orders, DPU 24-140 through DPU 24-149, approving the 2025-2027 Three-Year Energy Efficiency Plans.

Program Structure and Offerings

The Commission generally finds the Upstate and Downstate Utilities' proposed program structures and offerings for small residential homes and multifamily residential buildings reasonable. In some cases, we find that the Upstate and Downstate proposals lack necessary detail on incentive caps, coordination planning, and potential alignment with existing offerings in the marketplace, such as NYSERDA-administered financing programs.

1. Incentive Levels

The May 2025 Non-LMI EE/BE Order requires that incentives offered through the RRWPs "shall not be greater than those offered to LMI customers for similar measures/work scopes," and requires that the proposals develop a process to ensure ongoing compliance.[21] This guideline was established by the Commission to ensure that Non-LMI and LMI programs do not compete against each other for the same customers and to make sure that LMI customers, who may have fewer resources and need higher incentives, receive them.

As discussed above, the proposals provide tiered packages for small residential home offerings and an a-la-carte approach for multifamily residential building offerings Downstate, but do not provide incentive caps, estimate average project costs, or commit to specific weatherization measures. The Upstate and Downstate Utilities instead propose to publish these specifics in RRWP Program Manuals. The Upstate Utilities state that they would consider implementing project incentive caps as the lesser of a maximum dollar amount per project or a percentage of the total project cost, with details to be

[21] Non-LMI EE/BE Order, p. 30.

published in the RRWP Program Manual.[22] The Downstate Utilities discuss the importance of flexibility in incentive levels, offerings, and program rules throughout the RRWP period.[23] The Upstate and Downstate Utilities both plan to coordinate with NYSERDA's EmPower Plus program to ensure that incentives do not exceed offerings for LMI customers.[24] The Downstate Utilities anticipate that multifamily buildings would only qualify for the New York State Affordable Multifamily Energy Efficiency Program (AMEEP) or the RRWP multifamily weatherization offering, and expect that either a shared Implementation Contractor or vendor coordination would ensure appropriate referrals to the AMEEP.[25] The Upstate and Downstate Utilities suggest that incentives be capped at the low-income incentive offered through NYSERDA's EmPower Plus program rather than the moderate-income incentive, and further recommend structuring incentives to provide a five- to six-year payback period for customer contributions to residential weatherization projects for the Non-LMI sector.[26]

Several commenters address recommended incentive levels for the RRWPs. Buffalo Energy et al. recommend that incentives cover between 25 and 50 percent of project costs.[27] NYSERDA highlights the success of the Comfort Home program covering approximately 30 to 40 percent of weatherization project costs and argues that market rate incentives that cover approximately one-third of total project costs can be effective

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[22] Upstate Proposal, p. 8.

[23] Downstate Proposal, p. 7.

[24] Upstate Proposal, p. 20; Downstate Proposal, p. 24.

[25] Downstate Proposal, p. 25.

[26] Upstate Proposal, pp. 20-21; Downstate Proposal, pp. 24-25.

[27] Buffalo Energy et al. comment, p.6.

in driving uptake, especially when coupled with a simplified incentive design and streamlined operational processes.[28]

The Commission declines to prescribe specific incentive levels at this time, due to our desire to allow program design to evolve based on market developments. Ratepayer funds are not unlimited, and the Upstate and Downstate Utilities are expected to administer the RRWPs in a manner to achieve the greatest impact for ratepayer dollars. Further, the utility and NYSERDA administered Non-LMI and LMI residential weatherization programs are part of the same ratepayer-funded ecosystem of consumer incentive programs, where Program Administrators are expected to foster a set of program offerings that work in tandem to achieve the greatest outcome. The proposal to cap market rate incentives at the low-income incentive level offered through NYSERDA's EmPower Plus program, at 100% of total project costs, reflects a lack of appreciation for the interconnected nature of the residential weatherization programs, is in direct conflict with the guidance from the Commission, and is therefore rejected.

The Utilities further proposal to establish incentives to arrive at a targeted payback period of five to six years would require subsidizing up to 70 to 80 percent of estimated project costs. Incentives at such a level would mark a significant departure from Non-LMI residential weatherization programs historically offered by NYSERDA and the Utilities. In addition, such incentive levels would exceed the current incentive levels approved by DPS staff for moderate-income customers in EmPower Plus, which is set at 50% of total project costs. The Commission finds NYSERDA's comments that Comfort Home incentive levels of approximately 30% to 40% of project

[28] NYSERDA comments, p. 4.

costs driving market activity to be compelling. Therefore, the Commission directs the Upstate and Downstate Utilities to align their incentive levels within this range. Doing so will generally reflect the current Comfort Home incentive levels in the market today, thereby maintaining consistent offerings to the Non-LMI market.

The Commission reaffirms and clarifies the requirement that Non-LMI EE/BE program incentives shall not exceed incentive levels for LMI customers for similar measures or work scopes, and must also be less than those available to moderate-income customers participating in comparable LMI programs. A Non-LMI program that offers an equal incentive level to that which is offered in a comparable LMI program, defeats the purpose of having distinct program offerings targeting the discrete market segments and their unique needs, would inherently place both programs in a position to compete against one another, and conflict with an equitable policy approach by providing the same level of support to customers of different financial means.

The Upstate and Downstate Utilities must continually coordinate with NYSERDA, as the statewide administrator of LMI programs for small residential homes and upstate administrator of affordable multifamily programs, to ensure incentive levels comply with the Commission’s directive. Specifically, the annual Upstate and Downstate RRWP Implementation Plans must include detail on incentive structure for small residential homes sector and the multifamily sector for the Downstate region, as discussed in more detail below in the “Implementation Plan” subsection.

The Commission notes that the EmPower Plus program offers different incentive levels based on the county in which a project is located and instructs the Upstate and Downstate Utilities to ensure that available RRWP incentives within each region are less than any EmPower Plus moderate-income incentives offered for similar measures and packages within the region. In addition, the Upstate and Downstate Utilities shall inform DPS staff of significant changes to RRWP offerings, including incentive level changes, prior to implementing any program changes, as discussed in the Reporting Schedule and Program Manual section below.

2. Coordination with NYS Clean Heat Program

The May 2025 Non-LMI EE/BE Order required the NYS Clean Heat program to provide differentiated incentives by March 1, 2026,[29] such that "significantly higher incentives are provided for projects meeting an adopted minimum weatherization level." Subsequently, by March 1, 2028, the differentiated incentive approach shall phase out, to be replaced by "minimum building weatherization levels as a pre-requisite to receiving incentives."[30] The May 2025 Non-LMI EE/BE Order required the proposals to include a "[d]etailed approach for how the residential weatherization program offering will be coordinated with building electrification incentives offered through NYS Clean Heat."[31]

The Upstate and Downstate Utilities both propose to coordinate with the NYS Clean Heat program to align its minimum weatherization requirement for an enhanced electrification incentive with Tier 1 of the RRWP. The Upstate and Downstate Utilities will also consider ways to encourage RRWP Participating Weatherization Installation Contractors

[29] The Non-LMI EE/BE Order requirement to initiate the differentiated incentives by March 1, 2026, was subsequently extended to September 1, 2026, by the Secretary to the Commission on February 27, 2026, in Case 25-M-0048.

[30] May 2025 Non-LMI EE/BE Order, pp. 34-35.

[31] May 2025 Non-LMI EE/BE Order, p. 30.

(Participating Contractors) to refer customers to the NYS Clean Heat program and methods for tracking the success of these referrals.[32] The Downstate Utilities also note that Con Edison will explore ways to encourage NYS Clean Heat contractors to refer customers to the RRWP.[33]

NYSERDA's comments recommend that the Utilities focus on the post-weatherization building envelope performance instead of incremental savings in order to ensure that buildings weatherized through the RRWP are ready for electrification, and offers as a model the electrification-ready envelope criteria associated with NYSERDA's Comfort Home and EmPower Plus programs.[34] Sane Energy proposes that geothermal systems be incentivized before other measures, including weatherization.[35] The NYS Building Decarbonization Coalition, LG Electronics USA, and Fujitsu General America (BDC et al.) submitted joint comments recommending that additional criteria, besides the results of blower door tests, could be used to show compliance with minimum weatherization requirements for the NYS Clean Heat program.[36] ACE-NY recommends establishing a standard for heating efficiency for multifamily buildings based on space heating energy use intensity, or using Energy Star scores as a proxy. According to ACE-NY, low efficiency buildings should be prioritized for weatherization, while high efficiency buildings should be encouraged to apply for electrification incentives. Finally, AGREE et al. highlight the need for collaboration between the Utilities and NYSERDA regarding the RRWPs, EmPower

[32] Upstate Proposal, p. 21; Downstate Proposal, p. 25.

[33] Downstate Proposal, p. 26.

[34] NYSERDA comments, p. 3.

[35] Sane Energy Project comment, August 22, 2025, p. 1.

[36] BDC et al. comments on NYS Clean Heat Plan, p. 2.

Plus, and the NYS Clean Heat program, and offer other coordination points that will be necessary to ensure alignment and coordination among all EE/BE programs.

While the Commission is not making a determination on the appropriate minimum level of weatherization required for the NYS Clean Heat program in this Order, it is hereby directing the Utilities to ensure that any weatherization activity completed through the RRWPs shall contribute towards a level of building performance that meets, at a minimum, the weatherization levels required in the NYS Clean Heat program.

The Commission also agrees with the Utilities' proposals to increase contractor referral activity between the NYS Clean Heat program and the RRWPs, while emphasizing the importance of promoting an efficiency-first approach to building electrification, and encourages the Utilities to incorporate cross-program marketing and communications into these program-bridging efforts, as discussed further in the "Program Marketing and Outreach" section below. The Commission also instructs the Utilities and NYSERDA to continue engaging with stakeholders and DPS staff on coordination points between the RRWPs, EmPower Plus, and the NYS Clean Heat program.

3. <u>Financing</u>

The Downstate Utilities state that low-to-no cost financing for weatherization projects has the potential to increase participation in the RRWP and they will coordinate with NYSERDA to determine whether the Downstate RRWP can leverage financing opportunities from the Green Jobs-Green New York (GJGNY) program. If GJGNY financing is not feasible for the RRWP, the Downstate Utilities would explore opportunities to offer low-interest or no-interest financing for customers participating in the RRWP by partnering with financing providers and subsidizing part or all of the cost of project financing interest through the RRWP budget.[37]

NYSERDA recommends that the Utilities design the RRWP to comply with the requirements to access financing through the GJGNY offering. Specifically, NYSERDA notes that a home energy assessment is required for GJGNY financing and recommends aligning the RRWP to fulfill this requirement.[38] The pairing of a clean energy finance product with the RRWPs can help to expand the impact of the RRWPs; however, financing used to support Commission-authorized programs must comply with fair lending practices, include consumer protections, and reflect a prudent use of ratepayer funds. The Commission emphasizes that, to the greatest extent possible, the RRWPs should seek to leverage publicly subsidized finance products, such as GJGNY or finance products supported by the NY Green Bank. The Commission requires coordination between the Upstate and Downstate Utilities and NYSERDA to offer financing opportunities for customers participating in the RRWPs. This coordination should focus on seeking alignment between any requirements associated with GJGNY or NY Green Bank finance products and the RRWP program design requirements. The Commission requires that any future financing offers that the Utilities develop and fund from the RRWP budgets are detailed comprehensively in the annual RRWP Implementation Plans, subject to DPS staff approval. At this time, the Commission does not approve of any utility-administered financing programs associated with the RRWPs and directs the Utilities to consult with DPS staff on the identification and development of finance solutions beyond those administered by NYSERDA, where necessary. DPS staff shall not

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[37] Downstate Proposal, p. 12.

[38] NYSERDA comments, p. 4.

approve any new financing programs associated with RRWP activity unless the Utilities demonstrate that financing programs offered by NYSERDA are insufficiently serving RRWP customers.

Participating Contractors, Energy Assessments, and Quality Assurance/Quality Control (QA/QC) Procedures

1. Participating Contractors

The Upstate and Downstate Utilities propose to each maintain and publish a list of Participating Contractors specializing in residential weatherization services who are eligible to perform work through the RRWP in their respective regions. Under each of their proposals, interested contractors would be required to apply to become a Participating Contractor, specifying the utility territories in which they intend to operate and providing all required documentation and credentials as outlined in the RRWP Program Manuals. Applications would be managed by their respective Implementation Contractor, as they would oversee the Participating Contractor network. The Upstate and Downstate Utilities each suggest that this approach would enable centralized management of the Participating Contractor application process and network across their respective territories. Additionally, all approved Participating Contractors would be required to execute a participation agreement to operate within any participating utility’s service territory. These agreements would address utility-specific legal terms and conditions or program participation among other requirements agreed to by the Utilities.

The Upstate and Downstate Utilities each propose to host annual Participating Contractor roundtables to share experiences and challenges, facilitate learning, and gather real-time feedback on program design, implementation, and support needs. In addition, the Upstate and Downstate Utilities propose to meet with each other quarterly to discuss workforce needs; as part of these coordination efforts, they would periodically engage with NYSERDA to share feedback and provide updates. Both the Upstate and Downstate Utilities recommend that NYSERDA provide large-scale workforce development initiatives to train contractors on residential weatherization installations and provide no-cost or subsidized training programs (such as training that would lead to Building Performance Institute certification) to expand the contractor network to support the RRWPs.[39]

The Building Performance Contractors Association of New York (BPCA-NY) submitted comments advising changes to the technical details of residential weatherization measures. In addition, the BPCA-NY highlights the benefits of programs that are less restrictive and more easily navigable for contractors, and offered further suggestions on how to streamline programs for customers and contractors.[40] AGREE et al. recommend that LMI and Non-LMI programs share intake and referral protocols within the Upstate and Downstate regions, and suggest that a universal or regional contractor network/finder across all energy efficiency programs would increase contractor capacity and avoid confusion.[41]

The Commission generally agrees with the Participating Contractor approach proposed by the Upstate and Downstate Utilities and finds that it is very similar to the successful approach used by NYS electric utility companies to operate the NYS Clean Heat program. However, we note that the combined Non-LMI and LMI EE/BE portfolios will have a collective program of over $2 billion in weatherization activities through 2030, between the RRWPs, EmPower Plus, and the affordable multifamily

[39] Upstate Proposal, p. 18; Downstate Proposal, p. 6 and p. 22.

[40] Comments from BPCA-NY, p. 1.

[41] Comments AGREE et al., p. 2.

programs, and it is important to seek economies of scale and reduce friction associated with participating in programs wherever possible, including the contractor networks that will serve these programs. Participating Contractors may not know of a customer's income eligibility status before engaging on a potential project; hence it would be beneficial for both customer and contractor if the contractor had the ability to serve the customer through either the Non-LMI or LMI program offering.

The Commission hereby instructs the Upstate and Downstate Utilities to work with NYSERDA to align contractor requirements as closely as possible, and to the extent practicable, leverage existing contractor networks to create alignment between the EmPower Plus and the RRWP requirements. The Commission reiterates the importance of ensuring that income-eligible customers are appropriately directed to the EmPower Plus program and finds that increasing the number of contractors qualified to conduct work through both market-rate and LMI EE/BE programs will increase referrals to the appropriate programs for customers.

As discussed in the May 2025 Non-LMI EE/BE Order, NYSERDA is the single statewide Program Administrator "responsible for providing programming to address EE/BE market development needs."[42] Therefore, the Commission instructs the Upstate and Downstate Utilities to coordinate with NYSERDA to utilize NYSERDA's Workforce Development programs to support the workforce needs of RRWPs. The Commission directs NYSERDA and the Utilities to meet on a quarterly basis to ensure that NYSERDA's workforce development programming is able to support expanding the weatherization workforce adequately, and is

[42] May 2025 Non-LMI EE/BE Order, p. 43.

adequately supporting the full portfolio of EE/BE programs offered across the State as well.

The Commission also agrees with the Utilities' proposal to host annual Participating Contractor roundtables. These roundtables will provide real-time feedback on program design, implementation, and help inform specific needs that the Utilities can incorporate into their annual RRWP Implementation Plans. Furthermore, as the Utilities prepare to launch the RRWPs, the Commission reaffirms the importance of input provided by installation contractors on program design and implementation details and, therefore, instructs the Upstate and Downstate Utilities to each convene a roundtable for interested installation contractors within 45 days of the issuance of this Order so that the Utilities will have adequate time to incorporate any feedback received into the final Upstate and Downstate RRWP Implementation Plans to be submitted by the Utilities before the RRWPs commence operation. The roundtables shall be held on different dates to allow for contractors to attend both events.

2. Energy Assessments

The Upstate and Downstate Utilities each propose that, once a customer has connected with a Participating Contractor, the Participating Contractor would conduct an energy assessment to evaluate the existing insulation, building performance, and envelope of the building. The Participating Contractor would conduct a blower door test to establish a baseline measurement of the building envelope's airtightness, which would be incorporated into the project's scope of work and total cost. The Participating Contractor would then have the option to submit an application for approval before proceeding with the project or could proceed and submit the application once the project is complete. Applications would be submitted to the

RRWP Implementation Contractor (Implementation Contractor), not to a specific utility. After project completion, the Participating Contractor will perform a second blower door test to compare with the initial pre-install test. The Participating Contractor would then submit proof to the Implementation Contractor that the project was completed.

However, the Downstate Utilities propose to not require specific energy assessments for multifamily building projects. Based on previous program experience, the Downstate Utilities assert that blower door tests were a barrier to entry for multifamily buildings and that giving service providers and building owners the flexibility to determine what study and pre-project support is necessary before commencing a project would better serve that market.

The Commission finds that the pre- and post- project blower door test activity proposed by the Upstate and Downstate Utilities is reasonable to be performed on all small residential home projects, unless prohibited due to health and safety concerns. To the extent that in-field experience proves blower door testing to be prohibitive, or the Utilities desire to use an alternative energy assessment strategy, the Utilities may consider eliminating the blower door test requirement. However, before the blower door test requirement can be removed from either the RRWP Program Manuals or Implementation Plans, the Utilities must provide sufficient justification for their decision to eliminate the requirement, as well as the proposed alternative to quantify effectiveness of weatherization work performed and obtain DPS staff approval through the normal course of the Implementation Plan approval process.

With respect to the Downstate Utilities' proposal for multifamily buildings, the Commission is not mandating pre- and post-blower door tests for such multifamily projects at this time based on the Downstate Utilities experience operating AMEEP. However, DPS staff should monitor the situation and implement a blower door requirement if it is determined that it will improve the program and benefit ratepayers. Additionally, the Utilities and NYSERDA shall work together to ensure that any energy assessments required for a customer, whether small residential home or multifamily building, to participate in the RRWPs shall also comport with the energy assessments required by NYSERDA’s GJGNY financing program.

3. Quality Assurance/Quality Control (QA/QC)

Both the Upstate and Downstate Utilities propose to implement inspection and other programmatic processes through their respective Implementation Contractor to enforce quality standards in the RRWPs, including additional inspections at random to check quality of installations, a defined remediation process to address deficiencies or issues identified during inspections, and procedures for managing nonconformances and fraud prevention. These inspections would be conducted by the Implementation Contractor, who would also be responsible for managing quality and ensuring that Participating Contractors adhere to overall RRWP rules. To support quality and compliance, the Upstate and Downstate Utilities each propose to hire an independent QA/QC vendor to perform desk reviews and/or field inspections to confirm that the Implementation Contractor is fulfilling its responsibilities effectively, in their respective regions.

NYSERDA recommends aligning QA/QC requirements between LMI and Non-LMI EE/BE programs (specifically between the RRWPs and EmPower Plus) and establishing a method for sharing contractor status between programs. NYSERDA also recommends that the Utilities involve NYSERDA in the development and implementation of the contractor performance monitoring framework in order to ensure consistency with the Comfort Home and EmPower Plus programs.[43]

The Upstate and Downstate Utilities each plan to provide detailed guidance and operational procedures in key documents such as their RRWP Program Manuals, along with supporting materials like inspection checklists, certification criteria, and remediation protocols.

The Commission agrees with the Utilities' proposed third-party QA/QC approach. Furthermore, in consideration of NYSERDA's comments, the Commission instructs the Upstate and Downstate Utilities and NYSERDA to work together to align QA/QC requirements as closely as possible, and to the extent practicable, between the EmPower Plus program and the RRWP and establish a method for aligning contractor eligibility and sharing contractor status between the programs.

Program Marketing, Outreach, and Customer Engagement

The Upstate and Downstate Utilities each propose to coordinate regionally and with NYSERDA and the Clean Energy Hubs to conduct customer marketing, outreach, and engagement activities.[44] These proposed activities may include promotion of comprehensive whole-home weatherization solutions, educational materials on further energy efficiency after weatherization, resources on equipment transitions (such as replacing fossil fuel water heaters), and weatherization as a foundational step in building decarbonization. The Utilities intend to prioritize reaching "customers most likely to benefit from weatherization based on home characteristics, fuel type, and readiness for

[43] NYSERDA comments, p. 5.

[44] Upstate Proposal, p. 18; Downstate Proposal, p. 22.

upgrades," and to "leverage broad-reach media in high-opportunity geographies to build general awareness."[45]

The Utilities also plan to direct customers to a centralized online platform that segments offerings by utility territory and connects them with qualified contractors. In addition, the Utilities will collaborate with NYSERDA to include weatherization offerings on the MyEnergy website, as outlined in the Joint Customer Platform Utility Implementation Plan.

NYSERDA's comments outline its statewide marketing efforts, which focus on growing awareness of the benefits of energy efficiency and weatherization through broad-based and more targeted education and engagement efforts through the Joint Customer Platform Utility Integration project. NYSERDA recommends that these statewide marketing efforts be included in the customer journey mapping for the RRWPs and that the Utilities work with NYSERDA to establish a plan for ongoing close coordination of marketing and outreach activities.[46]

AGREE et al.'s comments recommend adopting a neighborhood or block-level model for program deployment, instead of solely relying on homeowners or building owners to initiate projects. AGREE et al. specifically recommends targeting Disadvantaged Communities and areas that are designated, or good candidates for, non-pipe and non-wire alternatives for outreach and program deployment.[47] Urban Green Council recommends aligning program outreach Downstate with the requirements of Local Law 97.[48]

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[45] Upstate Proposal, p. 19; Downstate Proposal, p. 23.

[46] Comments from NYSERDA, p. 5.

[47] Comments from AGREE et al., p. 2.

[48] Comments from Urban Green Council, pp. 2-3.

The Commission accepts the Upstate and Downstate Utilities' proposals to collaborate with NYSERDA to include the weatherization offerings on the MyEnergy website. The Upstate and Downstate Utilities must ensure that available incentives and offerings shown to customers via the MyEnergy website are up to date, as resolved in the Joint Customer Platform Utility Integration Plan filed on November 14, 2025, and approved by DPS staff on March 23, 2026.[49] The Commission further instructs the Upstate and Downstate Utilities, in developing marketing, outreach, and customer engagement plans for the RRWPs, to consult with NYSERDA to determine how the MyEnergy platform can best serve the needs of these programs and how the programs can leverage the platform's capabilities. While some RRWP marketing and customer engagement activities may be independent of MyEnergy, the Utilities must take caution not to duplicate functions already available or achievable within the existing statewide joint customer platform, which would raise issues as to whether the associated cost recovery is *just and reasonable*.

Finally, the Commission instructs the Utilities, in consultation with DPS staff, to design the RRWP data and reporting structures in a manner that supports the ready sharing of project data to a customer's MyEnergy profile. This may include requiring certain project level data, such as energy assessment findings and installed measures, as well as measure level data, such as model numbers, for RRWP customers. These data and reporting requirements should be developed in alignment with guidance found in the DPS Staff JCP Compliance Letter from March 23, 2026. The Commission also instructs the Utilities to further develop customer marketing, outreach, and engagement plans in future annual RRWP Implementation Plans. Further, the

[49] Case 25-M-0248, Staff Compliance Letter (filed March 23, 2026).

Upstate and Downstate Utilities shall consider the recommendations from commenters referenced in this section in the future annual RRWP Implementation Plans, and conduct ongoing stakeholder engagement efforts to solicit further feedback on program marketing, outreach, and engagement.

<u>Budgets and Targets</u>

In Appendix C of the May 2025 Non-LMI EE/BE Order, the Commission prescribed minimum program budgets[50] for residential weatherization activities that were based generally on 50 percent of each utility's total proposed gas EE/BE program budgets and 25 percent of each utility's total proposed electric EE/BE program budgets. The Commission used these parameters to ensure that authorized budgets and targets are maintained throughout the program period and should be considered to represent the appropriate minimum commitment to the weatherization efforts that are central to align with the State's EE/BE goals, balancing bounded budgets between building electrification and weatherization while allowing for budget allocation across customer sectors.

Each of the Upstate and Downstate Utilities proposed utility-specific Non-LMI residential weatherization program budgets[51] for the Upstate and Downstate RRWPs that are equal to, or greater than, the minimum residential weatherization program budgets set forth in Appendix C of the May 2025 Non-LMI EE/BE Order. Furthermore, their proposals included administrative budgets required to manage the RRWPs through 2030, providing fully loaded total budgets for the RRWPs through 2030. The

[50] See footnote 3 for the definition of "program budget."

[51] Including the program budgets authorized by DPS staff in the Preliminary Non-LMI EE/BE Implementation Plan Compliance Letter to continue existing individual utility-administered comprehensive residential weatherization programs in 2026 until the Upstate and Downstate RRWPs commence operation.

Upstate Utilities proposed a cumulative 2027-2030 RRWP energy savings target of 24.2 million LMMBtu-e and the Downstate Utilities proposed a cumulative energy savings target of 50.7 million LMMBtu-e.

The Commission finds that the Utilities' proposed RRWP budgets satisfy the minimum weatherization program budgets authorized in the May 2025 Non-LMI EE/BE Order. Additionally, the Commission finds that presenting program budgets coupled with the proposed fully loaded administrative budgets is a more transparent view of the total RRWP budgets. Therefore, the Commission authorizes the RRWP, as well as the Utility-specific, fully loaded (program and administrative) budgets and minimum energy savings targets for 2027-2030 contained in the RRWP Proposals, as seen in Appendix B.[52] Furthermore, since the Commission is authorizing the Non-LMI RRWP budgets and associated minimum energy savings targets for the 2027-2030 time period within this Order as part of the final piece of the total EE/BE budgets authorized in the May 2025 Non-LMI EE/BE Order, the Commission finds that it is necessary to provide a complete record of the total authorized Non-LMI EE/BE budgets and energy savings targets for the 2026-2030 time period in Appendix D of this Order.

Flexibility

Of noted importance for the Upstate and Downstate Utilities is the ability to use any unspent funds, budgeted for

[52] In the DPS Staff Preliminary Non-LMI EE/BE Implementation Plan Compliance Letter, DPS staff authorized the Utilities to continue to operate existing comprehensive residential weatherization programs in 2026 with the guidance that any unspent budget would be reallocated to the RRWPs once launched. The Utilities shall work with DPS staff to determine the best way to allocate unused 2026 Non-LMI residential weatherization funds in future iterations of the RRWP Implementation Plan approval process.

any given year, in future years.[53] This flexibility would allow them to work to meet the cumulative target even if the RRWPs do not scale up as quickly as they anticipate.

The Commission agrees that any unspent funds from prior year budgets should be used in future years, as that was the intent of the language in the May 2025 Non-LMI EE/BE Order.[54] Additionally, the Utilities must manage the programs in a manner that ensures program offerings are available for project applications submitted through December 31, 2030. Therefore, the same guidelines directed in the May 2025 Non-LMI EE/BE Order for annual spending flexibility shall be applied to the RRWP budgets approved in this Order. Specifically, in any calendar year from the commencement of the RRWPs through 2029, the Utilities should ensure that the RRWP annual spending does not exceed 120 percent of the cumulative fully loaded RRWP budgets, less spending to date, divided by the number of years remaining in the period. For 2030, the final year in the period, the expenditures should equal the total cumulative budget less spending to date and any remaining encumbrances to projects that were eligible through the RRWP period. In addition, the Commission will prescribe a minimum budget allocation for 2030, such that, in a given year, the Utilities must reserve at least 80 percent of the calculated annual average fully loaded budget to ensure sufficient funding is available to support the RRWPs through 2030.

However, as explained in the May 2025 Non-LMI EE/BE Order, the new sub-portfolio model warrants a more conservative approach to flexibility than the Commission has adopted in the past since the May 2025 Non-LMI EE/BE Order prescribed minimum

[53] Upstate Proposal, p. 25; Downstate Proposal, p. 29.

[54] May 2025 Non-LMI EE/BE Order, pp. 114-116.

program budgets for residential weatherization. Since the fully loaded total RRWP budgets contained herein reflect the appropriate commitment to the weatherization efforts that are central to align with the State's EE/BE goals, as discussed above, the Commission will not allow any flexibility to move money in or out of the RRWPs and is setting the total fully loaded RRWP budgets contained herein through 2030. The action of disallowing flexibility and locking in these RRWP budgets will ensure that the Utilities are spending the amount of money on residential weatherization as originally contemplated by the Commission in the May 2025 Non-LMI EE/BE Order, streamline program review and compliance activities by DPS staff, and remove the dependency of other EE/BE spending on RRWP spending for the remainder of the portfolio period.

Other Matters

1. Reporting Schedule and Program Manual

a. Implementation Plans

The Upstate and Downstate Utilities each proposed to submit annual RRWP Implementation Plans beginning November 1, 2026, to communicate to stakeholders what the RRWPs will look like in the upcoming year. The Commission directs the Upstate and Downstate Utilities to file, in this proceeding, their first RRWP Implementation Plans for DPS staff approval by November 1, 2026, assuming a program launch date of January 1, 2027. If the Upstate and/or Downstate Utilities intend to launch the RRWP(s) prior to January 1, 2027, RRWP Implementation Plans shall be filed at least 60 days prior to the anticipated commencement of the RRWPs for DPS staff approval. Annual RRWP Implementation Plans for the calendar years 2028-2030 shall be filed by November 1 of the prior year.

The RRWP Implementation Plans should include the forecasted RRWP budgets and energy savings targets through

2030.[55] They should also include a summary of the program elements, program administration and infrastructure, detailed descriptions of the tiered packages with the weatherization measures included in them, and incentive structures for the upcoming year. Incentive structure information should include incentive caps, based on absolute dollars as well as percentage of total project cost, for each tiered package. Tiered weatherization packages should be comparable to EmPower Plus tiered packages to help ensure that incentives for the RRWP small residential home tiered packages are less than incentive levels for comparable EmPower Plus tiered packages. RRWP Implementation Plans should also include confirmation that the Upstate and Downstate Utilities have coordinated with NYSERDA to confirm that incentives offered through the RRWPs are less than incentives offered through LMI residential weatherization programs. This requirement also applies to multifamily RRWP offerings in the Downstate region.

Furthermore, the Utilities shall develop their RRWP Implementation Plans based on lessons learned from prior year program activity. Implementation Plans shall also include plans for reducing barriers to participation in Disadvantaged Communities, as discussed in this Order.

b. Annual and Ongoing Reporting

Both the Upstate and Downstate Utilities proposed to submit RRWP Annual Reports beginning April 1, 2028, to report on the program activity that occurred in the prior year. The Commission directs the Upstate and Downstate Utilities to file RRWP Annual Reports, in this proceeding, contemporaneously with the Non-LMI Comprehensive EE/BE Annual Report filing. Further

[55] The Downstate Utilities shall include forecasted Non-LMI multifamily building weatherization program activity implemented through their broader multifamily programs.

direction on timing of Non-LMI Comprehensive EE/BE Annual Report filing and RRWP activity's contribution to the Money Out the Door (MOTD) metric and minimum strategic measure threshold will be detailed in forthcoming DPS staff guidance documents.

Urban Green Council recommends that public reporting on the RRWPs includes data on annual budgets, incentive levels, achieved savings, and contractor participation in the program. In addition, Urban Green Council recommends providing appropriately anonymized project data (scopes, total project costs, project duration, and information on supplementary work) and establishing clear metrics and annual targets for contractor training and workforce diversity and participation, including in Disadvantaged Communities.

RRWP Annual Reports shall include a detailed accounting of total expenditures broken out into the cost categories included in the Upstate and Downstate Implementation Plans, each utility's contribution towards the total expenditures, forecasted energy savings, actual energy savings, forecasted number of projects completed within each utility's territory, actual number of projects completed within each utility's territory, lessons learned, and any other important information that the Upstate and Downstate Utilities want to communicate. As with other EE/BE programs, the RRWPs will adhere to quarterly scorecard reporting requirements and DPS staff will provide additional guidance to address the way in which the RRWPs will be reflected in those reports to ensure appropriate insight into total regional and utility-specific performance. In addition, more frequent ongoing reporting at a more granular level may be required by DPS staff for the RRWPs at the outset of the launch of the programs. In order to ensure that the RRWPs are serving all parts of the state equitably and stakeholders have a transparent view of the program activity, DPS staff may add to the list of reporting items and metrics required in the RRWP Annual Plan. Urban Green Council's recommendations, discussed above, are examples of additional reporting items and/or metrics to be considered by DPS staff.

c. Program Manual

The Upstate and Downstate Utilities propose to release their respective RRWP Program Manuals before the start of the RRWPs, but sometime after the Commission issues its order(s) regarding the Upstate and Downstate RRWP Proposals.

As demonstrated by the statewide NYS Clean Heat program, Program Manuals have become an essential tool for Program Administrators to effectively operate their programs; the primary function of the Program Manuals being a resource to Participating Contractors and other relevant market participants as to the expectations and operation of the program. The Commission directs the Utilities to develop their initial RRWP Program Manuals in consultation with DPS staff. The RRWP Program Manuals should provide information relevant to program structure, customer eligibility, incentive levels, coordination with the NYS Clean Heat program, coordination with Program Administrators that are offering LMI residential weatherization programs, Participating Contractor requirements, QA/QC approach and any other data necessary to ensure smooth operation of the program.[56]

Updates to the RRWP Program Manuals shall only be implemented following consultation with DPS staff. Building on the lessons learned from the NYS Clean Heat Program Manual approach, both the Upstate and Downstate Utilities will have the

[56] The Downstate Utilities shall consult with DPS staff on the preferred approach with regard to referencing the Non-LMI multifamily weatherization offerings in either the RRWP Program Manual or Multifamily Program Manual(s).

opportunity to issue updated RRWP Program Manuals up to twice a year. A notice informing Participating Contractors and relevant stakeholders of upcoming changes to the RRWPs must be filed in this proceeding three months prior to the submission of an updated RRWP Program Manual.

2. Evaluation Measurement & Verification (EM&V) Approach

Both the Upstate and Downstate Utilities propose to procure third-party evaluation contractor(s) to perform gross savings analysis of the RRWP offerings and provide verified gross savings realization rates, consistent with DPS staff guidance. Based on the guidance of the independent evaluator(s), they may also conduct measurement and verification activities such as site visits, desk reviews, and billing analysis, which could support future revisions to the Technical Resource Manual (TRM).[57] The Upstate Utilities have included an EM&V budget of approximately $4.9 million (approximately 1.33% of the fully loaded Upstate RRWP budget) while the Downstate Utilities have proposed an EM&V budget of approximately $2.93 million (approximately 0.47% of the Fully Loaded Downstate RRWP budget).

As noted in the May 2025 Non LMI EE/BE Order, it is important to ensure the approach to EM&V evolves to meet the needs of the changing portfolios, results in information that transparent, used and useful, and is consistent across utility program administrators and service territories. The May 2025 Non LMI EE/BE Order also directed the Utilities to, in consultation with DPS staff, develop and conduct joint evaluations for the RRWPs.

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[57] The New York Standard approach for estimating energy savings from energy efficiency programs - residential, multifamily, and commercial/industrial, also known as the Technical Resource Manual (TRM) - https://dps.ny.gov/technical-resource-manual-trm.

While the Utilities' proposals are, in part, responsive to this request by committing to conducting joint evaluations, the variance in the relative percentage of funds the two proposals dedicate towards EM&V activities raises doubt that the outcome will result in comparable analyses. The emphasis the Commission has placed on weatherization within the 2026–2030 portfolio warrants a robust EM&V approach. Additionally, the RRWPs represent a relatively new administrative model that will undoubtedly require fine-tuning as the programs are brought to market. Program Administrators have, at times, struggled with timely EM&V efforts, particularly in conducting joint evaluations. Administrative complexities to jointly procure third-party contractors among the Utilities has often led to protracted discussions to align on the evaluation scope and delays in implementation and delivery of results. An appropriately timed, objective process evaluation can provide valuable insights to ensure program improvements are identified and executed swiftly and results are useful. Lastly, the frequency and extent to which Program Administrators have adopted recommendations resulting from evaluation studies has varied.

The Commission finds that appropriately assessing the RRWPs will be best served by an independent third-party contractor procured and overseen by DPS staff. The Commission envisions that the consultant selection process will generally be similar to the hiring of a consultant for operational or management audits and the gas long-term planning analyses. The process will begin with DPS staff issuing a request for proposals (RFP) for the review of the Upstate and Downstate programs, when DPS staff deems appropriate, followed by a review of bidders and interviews. DPS staff will base its selection on a weighting of proposals, including the expertise of consultant staff, interviews, and costs. Unlike the process for operational and management audits, and consistent with the gas long term planning process, the Commission will not separately approve consultant selection(s). This approach will ensure that the evaluation provides used and useful information and that the contractor will remain truly independent from the program and entities it is evaluating.

While the consultant will conduct the EM&V studies and work at the direction of DPS staff, the costs will be paid by the Utilities out of the RRWP budgets approved herein. Costs associated with the consultant will be allocated to each utility on a pro-rata basis based on each utility's individual fully loaded, approved budget for the regional residential weatherization program. Therefore, the Downstate and Upstate Utilities are directed to reserve 2.0% of their respective fully loaded RRWP budgets, provided in Appendix B, to be utilized by DPS staff to conduct RRWP evaluation studies.[58]

3. Transition from Existing Residential Weatherization Programs

Currently, many residential homes in New York have access to the NYSERDA Comfort Home program and/or Utility-administered comprehensive weatherization programs. In no event should the transition to the RRWP approach cause a disruption to residential customers' access to a comprehensive residential weatherization program. In the Preliminary Non-LMI EE/BE Implementation Plan Compliance Letter, DPS staff authorized the Utilities that were currently offering comprehensive Non-LMI residential weatherization programs to continue offering those programs at funding levels generally comparable to that of calendar year 2025.

[58] DPS staff may use up to the 2.0% of the Fully Loaded RRWP Budgets to adequately address the EM&V needs.

Utilities that are not currently offering comprehensive Non-LMI residential weatherization programs shall utilize and refer customers to NYSERDA’s Comfort Home program as the sole residential weatherization program within their service territory for Non-LMI small residential homes, until the RRWPs commence operation. Additionally, if the Utilities operating comprehensive residential weatherization programs fully exhaust their allocated budget prior to the launch of the RRWPs, they shall begin referring interested customers or applicants to the NYSERDA Comfort Home program until the relevant RRWP commences. The Commission expects the Utilities to closely monitor their project pipeline to ensure that they have enough funding to provide incentives, and if they don’t, begin to refer projects to NYSERDA’s Comfort Home program.

All Program Administrators currently offering a comprehensive residential weatherization program shall notify installation contractors, in writing, at least 90 days before they plan to stop accepting applications for their programs. Program Administrators shall consult with DPS staff. Any projects that the Program Administrators have committed to funding in writing by December 31, 2026, or the program end date in the event the RRWP commences before January 1, 2027, shall be completed by March 31, 2027, in order to receive incentives through their programs. Program Administrators shall submit a list of all committed, but uncompleted, Non-LMI residential weatherization projects and encumbered funding amounts to DPS staff by January 15, 2027.

As detailed in the May 2025 Non-LMI EE/BE Order, NYSERDA’s Comfort Home program was allocated $30 million to be utilized until January 1, 2027, or until the RRWPs became active. The Commission anticipates NYSERDA may not fully utilize these funds. Therefore, NYSERDA shall, within 60 days of the agreed upon close out date for the Comfort Home program, detail the remaining funds encumbered to be spent. Any remaining balance shall be reprogrammed, in consultation with DPS staff, through a refiling of the NYSERDA Non-LMI EE/BE Implementation Plan.

CONCLUSION

The collective actions the Commission takes today, within this Order, approves an Upstate and Downstate Regional RRWP and authorizes the associated budgets and energy savings targets of the Non-LMI RRWPs for 2027 through 2030. This Order contains numerous directives to ensure coherent and effective program implementation, including required annual report filings, convening of contractor roundtables, and continuous coordination efforts between the Program Administrators, DPS staff and stakeholders. The Commission’s actions establish a program oversight and management framework that includes annual RRWP Implementation Plan filings to present detailed budgets, incentive structures and plans for Disadvantaged Communities, and annual report filings to detail the performance and progress of the programs. These actions reinforce a core objective to shift energy efficiency efforts in the residential sector towards comprehensive building weatherization as a foundational step for building decarbonization and efficient electrification.

The Commission orders:

1. The New York State Energy Research and Development Authority (NYSERDA) and Central Hudson Gas & Electric Corporation, National Fuel Gas Distribution Corporation, Niagara Mohawk Power Corporation d/b/a National Grid, New York State Electric & Gas Corporation, Orange and Rockland Utilities, Inc., Rochester Gas and Electric

Corporation, Consolidated Edison Company of New York, Inc., KeySpan Gas East Corporation d/b/a National Grid, and the Brooklyn Union Gas Company d/b/a National Grid NY shall meet on a quarterly basis to ensure that NYSERDA's workforce development programming is able to support expanding the weatherization workforce adequately, as well as supporting other energy efficiency and building electrification programs, as discussed in the body of this Order.

2. Central Hudson Gas & Electric Corporation, National Fuel Gas Distribution Corporation, Niagara Mohawk Power Corporation d/b/a National Grid, New York State Electric & Gas Corporation, Orange and Rockland Utilities, Inc., Rochester Gas and Electric Corporation, Consolidated Edison Company of New York, Inc., KeySpan Gas East Corporation d/b/a National Grid, and the Brooklyn Union Gas Company d/b/a National Grid NY (collectively, the Utilities) shall consult with Department of Public Service staff to articulate actions to be included in their Regional Residential Weatherization Program Implementation Plans to address barriers to participation in Disadvantaged Communities. The Utilities shall each convene a meeting for interested stakeholders within 45 days of the issuance of this Order to discuss these actions, as discussed in the body of this Order.

3. The Utilities identified in Ordering Clause 2 above shall convene a roundtable for interested installation contractors in both the Upstate and Downstate Region within 45 days of the issuance of this Order so that the Utilities will have adequate time to incorporate feedback from the interested contractors into the final Upstate and Downstate Regional Residential Weatherization Program Implementation Plans to be submitted by the Utilities before the Regional Residential Weatherization Programs commence operation. The roundtables

shall be held at different dates to allow for contractors to attend both events, as discussed in the body of this Order.

4. The Utilities identified in Ordering Clause 2 above shall file their first Regional Residential Weatherization Program Implementation Plans for Department of Public Service staff approval by November 1, 2026, assuming a program launch date of January 1, 2027. If the Utilities intend to launch the Regional Residential Weatherization Programs prior to January 1, 2027, a Regional Residential Weatherization Program Implementation Plan shall be filed at least 60 days prior to the anticipated commencement of the Regional Residential Weatherization Program for Department of Public Service staff approval. Annual Regional Residential Weatherization Program Implementation Plans for the calendar years 2028-2030 shall be filed by November 1 of the prior year, as discussed in the body of this Order.

5. The Utilities identified in Ordering Clause 2 above shall file Regional Residential Weatherization Program Annual Reports, contemporaneously with the non-low to moderate-income comprehensive energy efficiency and building electrification annual report filing. The Regional Residential Weatherization Program Annual Reports shall include a detailed accounting of total expenditures broken out into the cost categories included in the Utilities' Implementation Plans, each Utility's contribution towards the total expenditures, forecasted energy savings, actual energy savings, forecasted number of projects completed within each Utility's territory, actual number of projects completed within each Utility's territory, lessons learned, and any other important information, as discussed in the body of this Order.

6. The Commission directs the Utilities identified in Ordering Clause 2 above to develop their initial Regional

Residential Weatherization Program Manuals in consultation with Department of Public Service staff, as discussed in the body of this Order.

7. The Utilities identified in Ordering Clause 2 above shall reserve 2.0% of their respective Fully Loaded Regional Residential Weatherization Program budgets, as provided in Appendix B to the Order, to be utilized by Department of Public Service staff to conduct Regional Residential Weatherization Program evaluation studies, as discussed in the body of this Order.

8. All Program Administrators currently offering a comprehensive residential weatherization program shall notify installation contractors, in writing, at least 90 days before they plan to stop accepting applications for their programs. Program Administrators shall consult with Department of Public Service staff while preparing this communication. Any projects that the Program Administrators have committed to funding in writing by December 31, 2026, or the program end date in the event the Regional Residential Weatherization Program commences before January 1, 2027, shall be completed by March 31, 2027, in order to receive incentives through their respective programs. Program Administrators shall submit a list of all committed, but uncompleted, Non-Low to Moderate-Income residential weatherization projects and encumbered funding amounts to Department of Public Service staff by January 15, 2027, as discussed in the body of this Order.

9. The New York State Energy Research and Development Authority (NYSERDA) shall, within 60 days of the agreed upon close out date for the Comfort Home program, file a detailed report of the remaining funds encumbered to be spent. Any remaining balance shall be reprogrammed, in consultation with Department of Public Service staff, through a refiling of

the NYSERDA Non-Low to Moderate-Income Energy Efficiency/Building Electrification Implementation Plan, as discussed in the body of this Order.

10. In the Secretary's sole discretion, the deadlines set forth in this Order may be extended. Any request for an extension must be in writing, must include a justification for the extension, and must be filed at least three days prior to the affected deadline.

11. This proceeding is continued.

By the Commission,

(SIGNED) MICHELLE L. PHILLIPS
Secretary

APPENDIX A: SUMMARY OF COMMENTS

ACE NY

ACE NY’s comments support a regional approach to residential weatherization and offer further recommendations for prioritizing projects. ACE NY recommends that the Utilities prioritize weatherization outreach for buildings in areas with the most demand for weatherization (referred to as congested areas), especially in Disadvantaged Communities, and that buildings with the greatest need for weatherization improvements are prioritized for work. ACE-NY recommends encouraging electrification in buildings that are already efficient, arguing that a significant subset of multifamily buildings are sufficiently weatherized. They recommend specific heating efficiency requirements that would determine whether a building is sufficiently weatherized for electrification.

ACE NY also recommends that the Regional Programs build directly on proven program design models such as NYSEG/RG&E’s Home Insulation and Air Sealing Program (HIASP). ACE NY closes by recommending timely review of the Regional Proposals in order to ensure sufficient time for feedback by Program Administrators and stakeholders.

Building Decarbonization Coalition, LG Electronics USA, and Fujitsu General America (BDC et al.)

BDC et al. submitted comments on the NYS Clean Heat Implementation Plan; several of the comments pertain to the RRWPs and are therefore referenced and discussed in this Order. BDC et al. recommend removing unnecessary barriers to the NYS Clean Heat Program, such as “overly rigid weatherization requirements.” BDC et al. recommends that the minimum weatherization requirements for NYS Clean Heat incentives include additional criteria, such as percent improvement in blower door test results or the upcoming NYSERDA Heat Pump Ready designation. They additionally recommend that customers who have participated in a utility-administered residential weatherization program should not have to submit duplicative paperwork or applications to access NYS Clean Heat incentives.

Alliance for a Green Economy, Association for Energy Affordability, Building Decarbonization Coalition, Network for a Sustainable Tomorrow, New Yorkers for Clean Power, Pratt Center for Community Development, PUSH Buffalo, Urbecon LLC, and WE ACT for Environmental Justice (AGREE et al.)

AGREE et al. provided comments on the Regional Residential Weatherization Proposals in three major areas. The first recommendation area supports the regional approach as it can streamline administrative costs, facilitate customer engagement, improve market predictability, provide continuity across service territories, and increase program volume and speed. AGREE et al. additionally recommends adopting a neighborhood or block-level model for program deployment, instead of solely relying on homeowners or building owners to initiate projects. AGREE et al. specifically recommends targeting Disadvantaged Communities and areas that are designated or good candidates for non-pipe and non-wire alternatives.

The second recommendation area focuses on alignment and coordination with other programs. AGREE et al. recommends that LMI and Non-LMI programs share intake and referral protocols within the Upstate and Downstate regions. AGREE et al. also recommends standardized data sharing between the Utilities, NYSERDA, and implementation vendors. They advocate for regional planning to support more geographically targeted electrification and gas system transition planning. AGREE et al. suggest that a universal or regional contractor network/finder across all energy efficiency programs would increase contractor capacity and avoid confusion.

The third recommendation area argues the need for interim review and strong oversight of the Regional Programs. AGREE et al. recommends an interim review of the Regional programs, as well as other EE/BE programs, to determine impact of program funds, especially for LMI households and Disadvantaged Communities.

NY-GEO

NY-GEO's comments include a recommendation to prioritize Non-LMI EE/BE portfolio funding for geothermal technologies, particularly ground source heat pumps (GHPs), and only subsequently investigate weatherization strategies. NY-GEO argues that the total and peak-time load reduction of GHPs is superior to that of weatherization measures. NY-GEO recommends that utility programs incentivize the reduction of peak-time energy use and reward projects or programs based on their value to the grid.

NYSERDA

NYSERDA's comment provides background on the Comfort Home residential weatherization program, which will continue to be offered statewide until the RRWPs launch, and provides key recommendations for ensuring a smooth transition between the programs. NYSERDA also discusses efforts to standardize the technical requirements across the EmPower Plus and Comfort Home residential weatherization programs. NYSERDA's comments cover multiple areas.

NYSERDA first discusses weatherization tiers and incentive levels, and how these program aspects interact with the NYS Clean Heat program. NYSERDA cautions against overreliance on increasing incentive levels to scale participation in the new Regional Programs, and recommends focusing on simplified rules, streamlined processes, and high-quality assurance and control measures to drive uptake. NYSERDA also recommends that the Regional Programs focus on end-state envelope performance of the weatherized building, and that the Utilities adopt the Comfort Home and EmPower Plus electrification-ready envelope criteria for the Regional Programs in order to smooth the transition from Comfort Home and maintain equitable standards across the Non-LMI and LMI markets.

NYSERDA finds the pooled budget and savings approach proposed by the Utilities to be reasonable, and that a pooled approach will reduce administrative burden and increase funding available for incentives. NYSERDA agrees that savings in the New York City region will likely be higher than in the rest of the state. NYSERDA recommends that additional details on the specific cost drivers for program implementation be provided to justify the proposed level of spending. NYSERDA also highlights that the average statewide incentive for Comfort Home projects (including stacking incentives where available) covers approximately 30 to 40 percent of project costs for air sealing and insulation measures. NYSERDA also shares that it is difficult to sufficiently verify energy impacts from do-it-yourself (DIY) installations of retail weatherization products and argues against attributing savings to DIY measures without sufficiently rigorous evaluation data supporting these savings. Overall, NYSERDA advocates for a focus on streamlining workflow, simplifying incentive design, targeted marketing, and contractor-driven customer acquisition strategies instead of high incentives and DIY weatherization measures.

NYSERDA also offers recommendations for the administrative structure and shared services models considered in Regional Program design. First, NYSERDA suggests that the Regional programs be designed to include a home energy assessment that will meet the requirements for customer financing through the Green Jobs Green New York (GJGNY) program. NYSERDA also recommends that if the Utilities offer their own financing options, continued coordination with the GJGNY program will be necessary to reduce market confusion.

Second, NYSERDA outlines its statewide marketing efforts focusing on growing awareness of the benefits of energy efficiency and weatherization through both broad-based and more targeted education and engagement efforts through the Joint Customer Platform Utility Integration project. NYSERDA recommends that these statewide marketing efforts be included in the customer journey mapping for the Programs and recommends that the Utilities work with NYSERDA to establish a plan for ongoing close coordination of marketing and outreach activities.

Third, NYSERDA recommends aligning QA/QC requirements between LMI and Non-LMI EE/BE programs (specifically between the Regional Programs and EmPower Plus) and establishing a method for sharing contractor status between programs. NYSERDA also recommends that the Utilities involve NYSERDA in the development and implementation of the contractor performance monitoring framework in order to ensure consistency with the Comfort Home and EmPower Plus programs.

Sane Energy Project

Sane Energy Project recommend that Non-LMI households prioritize installing geothermal technology prior to weatherization measures, as geothermal technologies can reduce peak period energy use, and recommends that the NYS Clean Heat program create a different tier for networked geothermal projects.

Building Performance Contractors Association of New York (BPCA-NY)

The BPCA-NY provides several recommendations for updates to the Comfort Home program that are relevant to the Regional Program design. BPCA-NY highlights certain barriers to market rate participation in weatherization programs, including specific measure requirements detailed in the comment. BPCA-NY highlights the importance of ensuring that programs are less restrictive and easy to navigate for contractors, and requests further conversation on recommendations to streamline processes for customers and contractors.

Buffalo Energy, Hughesco of Rochester, MIG, Sealed (Buffalo Energy et al.)

Buffalo Energy et al. recommend that the Regional Programs build on the model of NYSEG and RG&E’s Home Insulation and Air Sealing Program (HIASP). Buffalo Energy et al. argue against a tiered incentive model, as proposed by the Upstate and Downstate Utilities in the Regional Plans, and instead recommends that the Regional Programs implement a minimum scope eligibility, with an option to receive higher incentives based on more energy savings. Buffalo Energy et al. also recommend that the Regional Programs adopt HIASP’s dual enrollment options, where contractors can directly enroll projects into the program, or can partner with an aggregator who will handle program administration tasks on their behalf. Other streamlining measures recommended include an optional pre-approval process before project installation and requiring 60-day notice for program updates.

Buffalo Energy et al. recommends that incentive levels for the program should cover between 25 and 50 percent of total project costs and should be compatible with federal programs. Finally, Buffalo Energy et al. recommends that a blower door test be optional when energy usage data is collected to determine savings.

Urban Green Council

The Urban Green Council supports the overall design of the Regional Programs, specifically the shared implementation, common contractors, and joint evaluation frameworks, as well as the alignment of the Regional Programs with EmPower Plus and NYS Clean Heat programs. Urban Green Council further supports Utility coordination with NYSERDA and the Clean Energy Hubs to expand the pool of qualified contractors, and the inclusion of multifamily buildings in the Downstate Program.

Urban Green Council provides recommendations to ensure robust data transparency and performance reporting; specifically requesting anonymized data with project details made available to the public. Urban Green Council recommends establishing clear metrics and annual targets for contractor training, workforce diversity, and participation, including in Disadvantaged Communities. They also recommend ensuring that program funding and implementation schedules are consistent, multi-year and transparent in order to promote predictable long-term conditions and reduce market uncertainty. Finally, Urban Green Council recommends aligning program outreach in the Downstate region with the requirements of Local Law 97.

JK Canepa, Village East Towers Energy Conservation Committee, Sane Energy Project

Canepa’s comments recommend that Non-LMI smaller residential buildings should prioritize installing geothermal technology prior to weatherization measures, and advise the

Commission to remove the requirement for minimum weatherization requirements for geothermal systems.

<u>John T. Adams, Energy Systems Technology</u>

Adams's comments, submitted in reference specifically to the Upstate RRWP Proposal, contain several comments related to contractor participation in the Program. Adams recommends that contractors be able to enroll customers into the Regional Program, and advocates for a more streamlined contractor-facing system that is easy to use. Adams also recommends that participating contractor roundtables occur more than once a year.

APPENDIX B: 2027-2030 NON-LMI REGIONAL RESIDENTIAL WEATHERIZATION PROGRAM (RRWP) FULLY LOADED BUDGETS AND MINIMUM SAVINGS TARGETS

Table 1: Upstate electric and gas RRWP budgets, 2027-2030

Upstate Region	Electric	Gas	Total Electric & Gas
Central Hudson	$34,281,843	$3,267,478	$37,549,321
NFG	-	$32,970,561	$32,970,561
NMPC	$101,625,874	$39,930,393	$141,556,267
NYSEG	$71,829,661	$10,369,141	$82,198,802
O&R	$22,918,233	$8,543,942	$31,462,175
RG&E	$29,776,860	$12,214,056	$41,990,916
TOTAL	**$260,432,471**	**$107,295,571**	**$367,728,042**

Table 2: Downstate electric and gas RRWP budgets, 2027-2030

Downstate Region	Electric	Gas	Total Electric & Gas
Con Edison	$342,432,760	$142,562,250	$484,995,010
KEDLI	-	$63,819,818	$63,819,818
KEDNY	-	$80,585,630	$80,585,630
TOTAL	**$342,432,760**	**$286,967,698**	**$629,400,458**

Table 3: Upstate minimum RRWP savings targets, 2027-2030

Upstate Region	Electric (LMMBtu-e)	Gas (LMMBtu-e)	Total Electric & Gas (LMMBtu-e)
Central Hudson	2,266,421	217,406	2,483,827
NFG	-	2,238,797	2,238,797
NMPC	6,781,800	2,652,221	9,434,021
NYSEG	4,706,137	679,366	5,385,503
O&R	1,404,794	523,353	1,928,147
RG&E	1,950,919	802,294	2,753,213
TOTAL	**17,110,071**	**7,113,437**	**24,223,508**

Table 4: Downstate minimum RRWP savings targets, 2027-2030			
Downstate Region	**Electric (LMMBtu-e)**	**Gas LMMBtu-e**	**Total Electric & Gas (LMMBTu-e)**
Con Edison	28,669,671	11,935,811	40,605,482
KEDLI	-	3,505,203	3,505,203
KEDNY	-	6,585,241	6,585,241
TOTAL	**28,669,671**	**22,026,255**	**50,695,926**

APPENDIX C: 2026 UTILITY-ADMINISTERED NON-LMI RESIDENTIAL WEATHERIZATION PROGRAM ACTIVITY FULLY LOADED BUDGETS AND SAVINGS TARGETS[59]

Table 1: 2026 Electric and gas budgets for residential weatherization program activity

Utility	**Electric**	**Gas**	**Total Electric & Gas**
Central Hudson	$86,537	$4,201	$90,738
Con Edison	$2,104,951	$11,302,817	$13,407,768
KEDLI	-	$1,084,715	$1,084,715
KEDNY	-	$3,372,071	$3,372,071
NFG	-	$316,906	$316,906
NMPC	$505,978	$204,936	$710,914
NYSEG	$2,516,757	$288,490	$2,805,247
O&R	$210,418	$138,517	$348,935
RG&E	$1,409,439	$471,852	$1,881,291
TOTAL	**$6,834,080**	**$17,184,505**	**$24,018,585**

Table 2: 2026 Electric and gas savings targets for residential weatherization program activity

Utility	**Electric (LMMBtu-e)**	**Gas (LMMBtu-e)**	**Total Electric & Gas (LMMBtu-e)**
Central Hudson	-	-	-
Con Edison	199,026	1,378,143	1,577,169
KEDLI	-	17,459	17,459
KEDNY	-	179,395	179,395
NFG	-	68,559	68,559
NMPC	-	-	-
NYSEG	135,905	8,675	144,580
O&R	3,057	4,586	7,643
RG&E	149,094	28,399	177,493
TOTAL	**487,082**	**1,685,216**	**2,172,298**

[59] The budgets and energy savings targets included in Appendix C pertain to Utility specific Non-LMI residential weatherization program activity in 2026 and are not included in the budgets and minimum energy savings targets associated with the RRWPs contained in Appendix B. However, they are included in Appendix D as part of the broader EE/BE portfolios.

APPENDIX D: 2026-2030 NON-LMI EE/BE PORTFOLIO FULLY LOADED BUDGETS AND SAVINGS TARGETS[60]

Table 1: Non-LMI EE/BE portfolio budgets, 2026-2030			
Utility	**Electric**	**Gas**	**Total Electric & Gas**
Central Hudson	$141,830,380	$6,886,030	$148,716,410
Con Edison	$1,388,934,970	$292,102,673	$1,681,037,643
KEDLI	-	$136,915,325	$136,915,325
KEDNY	-	$182,185,865	$182,185,865
NFG	-	$48,832,860	$48,832,860
NMPC	$463,530,400	$96,840,216	$560,370,616
NYSEG	$267,649,961	$19,395,983	$287,045,944
O&R	$93,736,144	$16,253,428	$109,989,573
RG&E	$107,844,509	$21,903,619	$129,748,128
TOTAL	**$2,463,526,364**	**$821,315,999**	**$3,284,842,364**

Table 2: Non-LMI EE/BE portfolio savings targets, 2026-2030			
Utility	**Electric (LMMBtu-e)**	**Gas (LMMBtu-e)**	**Total Electric & Gas (LMMBtu-e)**
Central Hudson	11,341,345	1,123,307	12,464,652
Con Edison	120,154,431	31,857,424	152,011,855
KEDLI	-	10,878,324	10,878,324
KEDNY	-	17,358,950	17,358,950
NFG	-	7,846,143	7,846,143
NMPC	41,777,008	9,099,065	50,876,073
NYSEG	29,846,257	3,961,367	33,807,624
O&R	9,156,663	3,494,199	12,650,862
RG&E	11,575,118	4,354,693	15,929,811
TOTAL	**223,850,821**	**89,973,473**	**313,824,295**

[60] Includes 2026-2030 Non-LMI residential weatherization budgets and savings targets identified in Appendix B and Appendix C.