



December 20, 2024

Valerie S. Milonovich  
Senior Counsel  
New York State Energy Research and Development Authority  
17 Columbia Circle  
Albany, NY 12203-6399

Re: Case 14-M-0094 Proceeding on Motion of the Commission to Consider a Clean Energy Fund  
Matter 16-00681 – In the Matter of the Clean Energy Fund Investment Plan

Dear Ms. Milonovich:

As required by the Public Service Commission's Order Approving Clean Energy Fund Modifications (CEF Modification Order)<sup>1</sup>, Department of Public Service Staff (Staff) has reviewed the Clean Energy Fund Compiled Investment Plan (CIP or the filing) submitted by the New York State Energy Research and Development Authority (NYSERDA) on November 1, 2024, in Cases 14-M-0094 and Matter 16-00681.

NYSERDA's filing indicates that the CEF Compiled Investment Plan has been updated to incorporate updates to initiatives resulting from a detailed performance review and reforecast of budgets and benefits, including updated budget and benefit values to align with actuals reported for past years and adjusted budget and benefit forecasts for future years, as appropriate, based on experience and learnings to date.

The CEF Modification Order identifies parameters of funding flexibility associated with the Focus Area Budgets authorized in the Order. The November 1, 2024, filing details in Appendix A: Focus Area Budgets, revisions to the Focus Area Budgets for the following Focus Areas:

- Clean Heating and Cooling Focus Area reduced from \$135.8M to \$132.4M (-3.4M)
- Codes and Standards, & Other Multisector Focus Area reduced from \$133.9M to 111.3M (-22.6M)
- Commercial/Industrial/Agriculture Focus Area increased from \$529.2M to \$564.4M (+35.2M)
- Low-to-Moderate Income Focus Area was increased from \$802.3M to \$815.83M (+\$13.5M) (5.4% net change over Ordered Budget);
- New Construction-Market Rate Focus Area reduced from \$180.4M to \$177.8M (-\$2.6M)
- Renewables/Distributed Energy Resources (DER) Focus Area reduced from \$171.5M to \$151.3M (-\$20.2M)

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<sup>1</sup> Case 14-M-0094, Proceeding on Motion of the Commission to Consider a Clean Energy Fund, Order Approving Clean Energy Fund Modifications, (issued September 9, 2021).

NYSERDA's filing includes further updates to the CIP's Innovation & Research Portfolio in accordance with Staff's December 4, 2023, CIP Approval Letter.<sup>2</sup> NYSERDA's filing identifies that it has standardized and aligned the metrics, outcomes and outputs within each initiative of the Portfolio to improve the effectiveness of communicating progress both individually and for the portfolio as a whole.

NYSERDA includes a correction to Section IV (Budget and Benefit Plan) to the Clean Heating & Cooling Focus Area budget, within Table 3 of Section IV. NYSERDA updated the Table to correctly identify the Expenditures Budget of the Heat Pump Phase 2 program, which Staff noted in its August 3, 2024 CIP Approval Letter, to illustrate the correct expenditures for the 2023 program year.<sup>3</sup>

NYSERDA identifies that as of this filing, the Pay For Performance initiative, within the Commercial, Industrial and Agriculture Focus Area; and the Healthy Homes Feasibility Study and LMI Pilots initiatives, within the Low-to-Moderate Income Focus Area, are now inactive. Additionally, the REV Connect initiative, within the Codes and Standards, & Other Multisector Focus Area, has been renamed to the NYGRIDCONNECT initiative.

Staff has determined these revisions comply with the parameters allowed by the CEF Modification Order.

In addition, the filing makes material financial and/or programmatic updates to numerous initiatives, which are identified as an appendix to this letter.

Staff's review of the modifications to Sections I, II, III and IV of the Plan identified instances where presentation of the Plan's identification of historic expenditures, planned expenditures, adjustments, as well as the presentation of historic and future acquired benefits, may not be presented specifically in accordance with CE-09 and related Clean Energy Guidance. For example, the filed CIP includes revisions to the VGS Specification summary within the Clean Energy Communities initiative within the Communities Focus Area, whereby the VGS Specification describe and discuss evaluation findings that have not yet been filed into the Document Matter Management (DMM) as required by Evaluation, Measurement & Verification Guidance (CE:05).<sup>4</sup> Relatedly, the CIP's BAB identifies adjustments to the initiative's presentation of historical and future benefits assuming results from an evaluation that has not yet been completed and filed in DMM.

Staff's review of the CIP found that the Record of Revision did not sufficiently describe all modifications. Based on further discussions between Staff and NYSERDA, Staff has determined the corrections were aptly made, the Record of Revision did not identify such revisions. Therefore, NYSERDA is reminded that all modifications should be documented through the Record of Revisions process in future CIP filings.

Staff finds the remaining elements of the November 1, 2024, filing to be in compliance with the CEF Modification Order, therefore NYSERDA may begin to access the budget and advance the activities identified in the aforementioned chapters.

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<sup>2</sup> Matter 16-00681 - In the Matter of the Clean Energy Fund Investment Plan, CIP Approval Letter 12.4.2023, (issued December 4, 2023).

<sup>3</sup> 14-M-0094 & 16-00681 July 3, 2024, CEF CIP Approval Letter (issued August 8, 2024).

<sup>4</sup> Supra, Evaluation, Measurement & Verification Guidance (CE:05), issued November 1, 2016.

NYSERDA is directed to update, as necessary, the CIP, to bring the CIP in compliance with Clean Energy Guidance requirements as discussed above no later than March 31, 2025. The Record of Revision should itemize all changes associated with modifications that are identified through the revision review process, as required by CE-09.

Sincerely,

*Marco L. Padula*

Marco L. Padula  
Director, Markets & Innovation

**Appendix: November 1, 2024 Compiled Investment Plan: Summary of Material Changes**

**I&R Portfolio Activity Changes**

Portfolio	Focus Area	BAB Initiative
Innovation & Research	Clean Transportation Innovation	EV Transportation Innovation

**I&R Portfolio Output Changes**

Portfolio	Focus Area	BAB Initiative
Innovation & Research	Buildings Innovation	Cleantech Commercialization
Innovation & Research	Technology to Market	Climatech Commercialization
Innovation & Research	Technology to Market	Manufacturing Corps
Innovation & Research	Technology to Market	Carbontech Development
Innovation & Research	Technology to Market	Novel Business Solutions

**I&R Portfolio Milestone Changes**

Portfolio	Focus Area	BAB Initiative
Innovation & Research	Buildings Innovation	Cleantech Commercialization

**Market Development Funding Changes**

Portfolio	Focus Area	BAB Initiative
Market Development	Clean Heat & Cooling	Heat Pumps Phase 2 (2020)
Market Development	Clean Heat & Cooling	Heat Pumps Phase 1
Market Development	Codes and Standards, & Other Multisector Initiatives	Information Products Brokering
Market Development	Codes and Standards, & Other Multisector Initiatives	Product and Appliance Standards
Market Development	Codes and Standards, & Other Multisector Initiatives	
Market Development	Commercial / Industrial / Agriculture	Technical Services
Market Development	Commercial / Industrial / Agriculture	Market Challenges
Market Development	Commercial / Industrial / Agriculture	Energy Management Technologies
Market Development	Commercial / Industrial / Agriculture	Pay For Performance
Market Development	Grid Modernization	High Performance Grid
Market Development	LMI	Healthy Homes Feasibility Study
Market Development	LMI	LMI Multifamily
Market Development	LMI	LMI Pilots
Market Development	LMI	NYS Healthy Homes Value Based Payment Pilot
Market Development	LMI	RetrofitNY-LMI
Market Development	LMI	Single Family-Low Income
Market Development	LMI	Solar For All
Market Development	New Construction	New Construction-Market Rate
Market Development	New Construction	New Construction Transition
Market Development	Renewables / Distributed Energy Resources	Anaerobic Digesters Transition
Market Development	Renewables / Distributed Energy Resources	Combined Heat & Power Transition
Market Development	Renewables / Distributed Energy Resources	Fuel Cells

**Appendix: November 1, 2024 Compiled Investment Plan: Summary of Material Changes**

Market Development	Single Family Residential	Pay for Performance
Market Development	Multifamily Residential	Energy Management Technology
Market Development	Multifamily	Low Carbon Pathways
Market Development	Transportation	EV Charging and Engagement

**Market Development Programmatic Changes**

Portfolio	Focus Area	BAB Initiative
Market Development	Clean Heat & Cooling	Heat Pumps Phase 2
Market Development	Commercial / Industrial / Agriculture	Technical Services
Market Development	Commercial / Industrial / Agriculture	Market Challenges
Market Development	Commercial / Industrial / Agriculture	Energy Management Technologies

**Market Development Energy (and/or) Carbon Changes**

Portfolio	Focus Area	BAB Initiative
Market Development	Clean Heat & Cooling	Renewable Heat NY
Market Development	Codes and Standards, & Other Multisector Initiatives	Product and Appliance Standards
Market Development	Commercial / Industrial / Agriculture	Greenhouse Lighting and Systems Engineering
Market Development	Commercial / Industrial / Agriculture	Cleaner Greener Schools
Market Development	Commercial / Industrial / Agriculture	Technical Services
Market Development	Commercial / Industrial / Agriculture	Market Challenges
Market Development	Commercial / Industrial / Agriculture	Energy Management Technology
Market Development	Communities	Clean Energy Communities
Market Development	Multifamily	Energy Management Technology

**Market Development Portfolio Activity Changes**

Portfolio	Focus Area	BAB Initiative
Market Development	Commercial / Industrial / Agriculture	Energy Management Technology
Market Development	Multifamily	Energy Management Technology
Market Development	New Construction	New Construction-Market Rate
Market Development	Workforce Development	Talent Pipeline

**Market Development Portfolio Outcomes and Outputs Changes**

Portfolio	Focus Area	BAB Initiative
Market Development	Commercial / Industrial / Agriculture	Technical Services
Market Development	Commercial / Industrial / Agriculture	Market Challenges
Market Development	Commercial / Industrial / Agriculture	Energy Management Technology
Market Development	Workforce Development	Talent Pipeline

## Appendix: November 1, 2024 Compiled Investment Plan: Summary of Material Changes

### Market Development Leveraged Funds Changes

Portfolio	Focus Area	BAB Initiative
Market Development	Commercial / Industrial / Agriculture	Technical Services
Market Development	Commercial / Industrial / Agriculture	Market Challenges
Market Development	Commercial / Industrial / Agriculture	Energy Management Technologies
Market Development	Communities	Clean Energy Communities

### Market Development Portfolio Milestone Changes

Portfolio	Focus Area	BAB Initiative
Market Development	Clean Heat & Cooling	Heat Pumps Phase 2
Market Development	Commercial / Industrial / Agriculture	Energy Management Technologies
Market Development	Workforce Development	Buildings Operations & Maintenance