NYSERDA'S 121st PROGRAM PLANNING COMMITTEE MEETING
October 4, 2023
Clean Copy of Transcript

Sherburne Abbott:
Okay, good afternoon and welcome. I call this meeting to order a notice. An agenda for this meeting was provided to the Committee Members on September 21, 2023, and press on September 25, 2023. This meeting is being conducted in person and by video conference. The Authority will post a video and a transcript of this meeting on the web. To confirm that we have a quorum, I would like each of the Members to introduce themselves. I'm Shere Abbott, Chair of the Committee.

Frances Resheske:
Frances Resheske, Member of the Committee. Member of the Board.

Sadie McKeown:
Sadie McKeown. Member of the Committee. Member of the Board.

Chair Kauffman:
Richard Kauffman, Chair of the Authority.

Sherburne Abbott:
Albany. You're on mute.

Vice Chair Bell:
Chuck Bell Member of the Committee. Member of the Board.

Arturo Garcia-Costas:
Member of the Committee. Member of the Board.

Sherburne Abbott:
That it? Thank you. The first item on the agenda is the approval of the Minutes of the 120th Committee meeting held on June 26, 2023. Are there any comments on the Minutes? Hearing none, may I please have a motion to approve in the Minutes? Second.

Frances Resheske:
Second.

Sherburne Abbott:
All in favor?

Members of the Committee:
Aye.

Sherburne Abbott:
Opposed? Minutes have been approved. The next item on the agenda is the consideration of revisions to the Authority’s Fiscal Year 2023-2024 Budget to be presented by the Authority’s' Chief Financial Officer, Pam Poisson.

Pam Poisson:
Thank you Shere. I serve to monitor financial developments regularly in the event of material shifts due to external developments, we may recommend to this Committee certain Budget revisions to keep that Budget up to date and serve as a relevant guide for spending plan. NYSERDA signaled in January the potential to present to Members in amended Budget for the current Fiscal Year, which we are now doing. The Members are requested to adopt a resolution approving revisions to the Authority’s' Budget for the current Fiscal Year as approved originally at the January 2023 Board meeting to reflect material updates from new business developments.

The details of the proposed updates are summarized in the memo in your Committee materials starting I believe on page eight, but do let me summarize a few key items for awareness. First, the beginning of your total net position was revised upward by just under $200 million to reflect the final ending net position as of last Fiscal Year. As reflected on the audited financial statements, the main driver for that change was higher than anticipated. RGGI proceeds from the allowances late last Fiscal Year after the original Budget had been published. Second, we have several updates to revenues and expenses which would summarize mainly to reflect three things, update the exact pricing, initial NYSERDA funding approved in the York State Budget and some timing shifts on our plans for spending with regard to Port Development and Bond Act funded work for clean schools and electric school buses.

Let me break those down just briefly. The revenue Budget was increased by $282 million, bringing it to $1.84 billion and that's primarily because of four factors. First State appropriations though changing just marginally in total we're updated to reflect the positive impact of $200 million in new NYSERDA funding that was approved in the 2023-24 State Budget plus program as budgeted. That is to be split over two years, so that translates into a hundred million additional in the current year's Budget, partly offsetting this as a reduction in the projected revenues that we anticipate seeing for the offshore wind port development and New York State Bond Act initiatives. Those revenues are simply a factor of the timing of the underlying work activity and the related draws and we have updated timetable expectations for those. Second, our utility surcharge assessments have decreased by $28.6 million net mainly because of lower draws that we anticipate since we started out with a higher working capital balance resulting from those higher RGGI proceeds some of offsetting that we have to the positive and additional new funding item in the form of an increase of $5.9 million.

That's about a 25% increase from the 18. A appropriation funding source, which translates to additional revenues to support energy policy planning, research and development. And that was in line with the added scope and complexity of the work that was recognized by the State per the Climate Action Council Scoping Plan. We also see a few revenue Budget adjustments related to the Clean Energy Standard or CES line, primarily comprised of increased zero emissions credit revenues, which are increased by $319.7 million and that is merely a reflection of the updated Public Service Commission. Published pricing for the period. A figure that was finalized just shortly after the last Budget was approved. Moving from revenues to the expense side, you have in large part corresponding offsets to the items I just noted. So under program expenditures which have increased in the Budget by $327 million, we see the majority of that coming from the aforementioned zero emissions credits.

So just as the revenues are increasing, so two, will the expenditures be increasing in the amount of $317 million. That is partly offset again by the offshore wind port development timing adjustment. And similar to what you heard on the revenue side, we anticipate seeing on the expenditure side deployment of $100 million additional for the Empower Plus program funding as well as that increased 18 A funding. Those two things combined are offset partly by a decrease of about $29 million for the New York State Bond Act funding, which again is simply a product of timing, not the total amounts available. So in large part what we're reflecting here is the increased ZEC amounts as well as the new funding under $18 million in power plus. I would note one final expense item. There is a much smaller relative increase in salaries and benefits and that's mainly due to uncontrollable market movements and some State actions that pertain to the management confidential pay schedules, which we follow the state.

As you are likely aware, set general salary increases for the current Fiscal Year at 3% you might recall we very conservatively Budgeted 2% and the approved original Budget. The State also opted to award some one-time payments for eligible employees, which are now both incorporated into the revised salary Budget. And as is typical, we receive actuarial variations and year end true ups for retirement and health benefits, namely the OPEB plan that just as a matter of typical timing cadence coming after when the Budget is normally approved. So we've recognized those translating to about $6.7 million in additional benefit expense there. All of that taken in some our net revenues for the year are now projected to be $46.2 million and that brings our projected Fiscal Year end balance net to about $1.9 billion anticipated as of March 31st for the coming year. So a lot to wade through. Thank you. I hope that was a relevant update and I'll pause here for questions before we go to the resolution. Are there any questions?

Chair Kauffman:
Yeah, I do the ZEC proceeds, that’s the compliance sale to load serving entities. I don’t know, when are we, why are we selling wrecks? To whom are we selling racks? I thought we buy ZECS entirely.

Pam Poisson:
We actually fund our purchases by selling those ZECs to the load serving, obligated load serving candidates.

Peter Costello:
They have a compliance obligation.

Chair Kauffman:
So it is the compliance offering,

Pam Poisson:
Yes.

Chair Kauffman:
Okay.

Pam Poisson:
Yes, this is one in this.

Chair Kauffman:
Alright, got it.

Sherburne Abbott:
Albany. All good. May I please have a motion approving the resolution, recommending approval of the revisions to the Authority's Fiscal Year 2023. 2024 Budget.

Arturo Garicia-Costas:
So moved.

Sherburne Abbott:
Second.

Sadie McKeown:
Second.

Sherburne Abott:
All in favor?

Members of the Committee:
Aye.

Sherburne Abbott:
All opposed the revisions to the Authority's Fiscal Year 2023-2024 Budget has been recommended for approval. The next item on the agenda is proposed revisions to the Committee's Charter. Peter Costello, the Authority General Counsel and Secretary to the Board will present this item. Peter.

Peter Costello:
Thank you Shere Abbott. As you may recall at our June meeting Committee Shere Abbott asked that we review the Program Planning Committee Charter to incorporate reference to the Climate Leadership and Protection Act of 2019. By way of background, the Authority does orient its programmatic activities to support the state's progress towards meeting Climate Act targets and plays a central planning role in that. Our President and CEO sits as Co-Chair to the Climate Action Council. As a reminder, the Climate Action Council is charged with producing a comprehensive Scoping Plan outlining recommendations towards how the State would be Climate Act targets. The first Scoping Plan was finalized and published at the end of 2022. In addition, the Climate Act requires State entities to design programs and initiatives to be consistent with the Climate Act and support the attainment of greenhouse gas emission reductions targets set forth in the Climate Act or to formally justify any inconsistencies.

And so following our last meeting, I worked with Shere Abbott to incorporate modifications to the PPC Charter and Committee responsibilities to recognize the centrality of the Climate Act in the Authority’s Program Planning and to ensure that the Committee focuses on these issues in reviewing program initiatives and planned activities. To the extent the Committee would like to take a deeper dive into the Climate Act and stay current with the State's Climate Act activities, generally a comprehensive website has been created and I would encourage you to browse through the materials there. The website is www.climate.ny.gov. And if you Google New York Climate Action, get the statements. In addition, while reviewing the Charter Committee Shere, Abbott and I made certain ministerial changes to ensure accuracy of the Charter language, current activities and scope. We provided a red line of these proposed changes in your meeting scope and I'm happy to take any questions.

Sherburne Abbott:
Any questions? No. I want to thank you for again making these recommended changes. Thank you. May I please have a motion approving the resolution, recommending approval of revisions to the PPC Charter motion. Second.

Sadie McKeown:
Second.

Sherburne Abbott:
All in favor?

Members of the Committee:
Aye.

Sherburne Abbott:
Opposed? The revisions to the PPC Charter have been recommended for approval. The next item on the agenda concerns the focus areas and future goals that will be included in the Authority Strategic Outlook. The Authority’s Chief Program Officer Anthony Fiore, will present these items and will be joined by other Authority staff.

Anthony J. Fiore:
Good afternoon Committee Chair Abbott and Members of the Committee. I am truly excited to be here with you all today to present on one component of our focus going into the coming year and hope it sparks as much interaction as our last Committee meeting. As you all are aware, inflation and supply chain constraints persist and are driving up costs for all Americans and especially those in historically marginalized communities. Today we'll speak to how we plan to adjust to these realities. Continue to provide exceptional service to a broad and diverse population and mitigate cost impacts to those participating in our programs. We can turn to the next slide please.

So the agenda today will cover how we are tapping into the historical level of federal and additional State support available. An overview of the New Efficiency New York order and the direction that sets for us. And a quick update on how we plan to adjust our 2024-2027 Strategic Outlook to improve integration with other organizational initiatives and respond to the changing landscape we are operating in. Next slide please. Okay. So let's begin with an overview of some of the federal funding opportunities and our approach to those. Next slide please. But this slide is busy and I don't expect you to look through it all, but the key takeaways from this are one, there's about $2 billion amongst the submissions completed or in the pipeline that NYSERDA is putting forward to the federal government. In addition to that tremendous amount of funding, NYSERDA has provided a number of letters of support to assist our partners in accessing additional funding. This funding is coming through multiple channels, including the bipartisan infrastructure law, the Chips and Science Act, and the Inflation Reduction Act. It is also being administered by the first set of federal agencies including Department of Energy, EPA, DOT, USDA, among others. And in some instances these are completely new relationships for us.

These grant opportunities come in two basic forms, formula grants and competitive solicitation. In our role as the State energy office, we are designated recipient for multiple formula grants. For example, we're a designated recipient for formula grant funding being made available through the Department of Energy's Home Efficiency Rebates or HER program and the Home Electrification and Appliance Rebates, otherwise HEAR program funded through the Inflation Reduction Act. In addition, NYSERDA work positions us to be a natural applicant for many competitive funding opportunities. I'll speak further shortly about our approach to prioritizing those competitive opportunities. As you can see, we have numerous opportunities that we're currently seeking or have been just awarded and additional opportunities that we are closely watching so that we can respond given the size of the potential funding available and the volume of activity occurring here. We have established a designated federal funding group within our government and regulatory affairs unit.

The unit is led by Matthew Brown, who will be giving an overview of the climate pollution reduction grant opportunity a bit later in the presentation. This group tracks and forms initial due diligence on federal funding opportunities and makes recommendations to NYSERDA leadership and program teams about high potential opportunities to pursue with the decision to pursue an opportunity. NYSERDA often organizes a project team to develop the required application. In general, the project team consists of the federal funding group staff from the program teams who work affiliated with the targeted opportunity, our energy and climate equity team and staff from Finance office of General Counsel, Contract Management, Communications, Marketing and Events. We've built internal staff capacity to respond to these once in a lifetime opportunities. It's critical for us to be selective in our pursuit of competitive opportunities to ensure we're maximizing our return on investment. Those considerations include whether the opportunity is fundamentally aligned with NYSERDA's mission and climate and energy goals, what the total size of the opportunity is and what total funding is that NYSERDA is likely to receive. Whether NYSERDA is the best lead applicant or should it be another entity with us playing a supporting role. And whether we have the expertise to make the funding successful in market. If awarded, we focus on our acquire areas of expertise as we understand the capability to add staff to address bandwidth constraints if funding is awarded. Next slide please.

So a little bit later in this presentation we'll be diving more deeply into specific high potential opportunities that we're currently pursuing, including the opportunities available under the Greenhouse Gas Reduction Fund, which includes EPAs Solar for All competitive grant program funded by the Inflation Reduction Act. Our participation in the formula HEAR and HER programs where we are working to support the transition to more affordable, efficient, resilient and low carbon homes. Our pursuit of the competitive regional Clean Green Hydrogen Hub, our engagement in EPAs Climate Solution Reduction grants program. Here we're collaborating with the Department of Environmental Conservation to implement a $3 million planning grant so that New York State can be best in the best position to share in an additional four and a half billion in competitive grant funding. I do want to just highlight two recent awards. The first being the Preventing Outages and Grid resilience program, which has provided us with $24 million in formula grant funding to accelerate and expand the development of a more reliable and resilient grid.

This program will be used to support grid monetization and resiliency improvements for our state, municipal and co-op utilities. And the second is the State energy program or ssep, which has provided us with $17 million in formula grant funding to support projects helping New York State achieve its climate goals. This is an annual program, but the bipartisan infrastructure law authorized a significant increase in our annual allocation, allowing us to do more. In addition to performing electric system modeling and other analytics, we'll be establishing a new upstate innovation hub for Cleantech and supporting expanded energy efficiency and decarbonization in the industrial sector. Next slide please.

So we are guided by some principles in our pursuit of this funding. We strive to engage stakeholders to inform our program design and implementation. David Sandbank will speak to this in the context of our Solar for All proposal and John Lochner in context of our hydrogen hub proposal for SFA, we began our work on the proposal by engaging key stakeholders and expect to have several stakeholders serving as sub-grantees and directly administering parts of the funding. We also work to use funding to place tailwinds behind already existing successful programs. We try to rapidly deploy new federal funding by integrating it with existing State programs and funding support. Courtney will speak to this in the context of our participation in her and here where we are working to integrate these incentives with the existing and successful Empower Plus program in the residential housing market and then sharing information about new programs and tax guidance with our market and sibling agencies. We have generally done this across the Board with our proposals. In addition, considering how to minimize consumer costs and administrative burdens, including by striving to integrate funding into existing programs as I've previously described, and incorporate process improvements wherever we can. And finally, continuously preparing for new federal opportunity announcements. The federal funding group has invested in understanding the federal funding landscape so we can try to anticipate which departments and teams will be funding will be issuing funding of interest. Next slide please.

Before I get into the specific programs, let me just pause for a second and see if there's any questions on anything I've just presented.

Chair Kauffman:
So just in one of the principles, I just would like to go deeper on Tailwind point because I think the question that I have is how the federal money can be connected to things that are going to where appropriate can be a bridge to market-based solutions. So maybe when we go into the

rebate programs, they may be a successful program in terms of rebates, but there's never enough money just for rebates. So the question is how flexible can that funding be to animate market?

Anthony J. Fiore:
Yeah, each of the programs have different criteria. Well some of it is grant funding, other are through low interest loans as well. And I think Andrew will speak to some of that a little bit later and how that's being used to animate at least private capital. Okay. No further questions. Can we turn to slide seven again?

Alright, so we'll dive into the specific programs and if we can go to the next slide. This is an overview of the Greenhouse Gas Reduction Fund, say competitive grant funding provided through EPA to combat climate crisis. It focuses on mobilizing financing and private capital. To your point, Richard, for greenhouse gas and air pollution reducing projects in communities across the country, there's a total of 27 billion available nationally to support new financing products That's divided into three distinct competitions, $14 billion in the National Clean Investment Fund competition, $6 billion in the Clean Communities Investment Accelerator competition, and 7 billion for the Solar for All competition that I mentioned earlier. So where we are with this, we've submitted technical comments back in May. We also submitted a notice of intent for the Solar for All program in an amount of $400 million back in July. The applications for all three competitions are due on the 12th of this month. And I'd like at this point to invite Andrew Kessler, the president of NY Green Bank, who will go over the National Clean Investment Fund and Clean Communities Investment Accelerator opportunities.

Andrew Kessler:
Thank you, Anthony. Anthony, next slide please. As Anthony mentioned, the NCIF, the National Clean Investment Fund is a $14 billion pathway. The EPA is intending to award two to three awards. We're expecting as many as five competitions out there. Importantly, exclusivity is explicitly not required in this particular competition. And as a result, NY Green NYSERDA taking the approach of participating in as many competitions, excuse me, applications as possible, thereby maximizing our potential for both dollars and best terms. NY Green Bank is leading the application effort within NYSERDA for this particular pathway. We have been actively working with, as I mentioned, all coalitions, including vision of support letters and other collaboration activities. We expect, as Anthony mentioned, to finalize applications that we're working with. We will be a named sub awardee in several of the five. We'll get into specifics because we are still under an NDA, we are hoping to hear back initial feedback by the end of this year with the expectation of I'm hearing more definitive results by the end of the first quarter of next year. Any questions on the NCIF?

Next slide please. CCIA is the second pathway, the third of the three that Anthony introduced. With respect to GGRF, it is really a conduit type pathway whereby about 90% of the award is meant to be distributed into the relevant community for eligible applicants up to approximately $10 million per award NY Green Bank will be applying for our $10 million share as an eligible applicant. But importantly, we're also seeking to be a sub awardee where perhaps we could play an important role in serving as a conduit from New York State actors. We as many of launched the community decarbonization fund earlier this year where we're already in dialogue with the very same community. It's the credit unions, the CDFIs and other eligible investors for access to that $250 million CDF pathway. This could be a very nice compliment and act as an important service to that community, enabling them as a one-stop shop to access both sources of capital to hopefully, as Richard mentioned, really animate that sector to give them the access to the capital that they need to transition into green lending. Same timeline there. Expect to finalize applications and by next Thursday and have some feedback by the end of this year. I'll just close one other item here. The EPA has identified intent to award between two and seven, and we certainly know that there's up to a dozen out there that are competing for this. I'll stop there for any questions.

Anthony J. Fiore:
Okay, no questions. Then we will next turn to David Sandbank, our Vice President for Distributed Energy Resources including solar storage, transportation exempt on the Solar for All grant opportunity.

David Sandbank:
Thanks Anthony. Yeah, so a part of the Greenhouse Gas Reduction program for all. It is, as you heard Anthony said earlier, a $7 billion competitive solicitation that New York State is going to happily go after the largest amount we can go after, which is $400 million. As you could see on the slide, they're going to provide up to 60 grants to not only states but territories, tribal governments and municipalities and nonprofits. And really the purpose of this program is to reach a demographic that really a, for the most part is underserved and getting the benefits from solar deployment across the country. And we've seen some of that here in New York State as well, so that not only is it going to be solar, but sometimes solar paired with storage. But the interesting here thing here is it looked at the EPA, their homework because one of the biggest barriers for providing a single family home with rooftop solar is a lot of times they need infrastructure repairs, which increases the cost of the project.

It could be an electrical infrastructure upgrade, it could be roof repairs, it could be shading issues. And so this fund also includes a portion of the funds that could be used for those types of infrastructure upgrades to actually pay for them. Like 20% of the funds could go to that. So we're going, NYSERDA is going to be on October 12th, officially the leading applicant for the $400 million. Obviously this application is in line with the CLCPA and the DAC requirements that we have to reduce emissions. But really to focus those emission reductions in the low income and DAC communities and also to mobilize financing and private capital to allow 'em to have a better way to move forward with solar that makes sense for what their needs are. So if we can go to the next slide will be great.

Thank you. So what we're going to be doing is we're going to be on October 12th submitting one solar for all application. We've been in talks with three different organizations to be sub grantees. And those sub-grantees are going to be the New York City Department of Environmental Preservation. The comptroller had come up with an idea called Public Solar, NYC, and they want to be able to provide about 5,000 homes with solar through a one-stop shop, low-income solar program that they want to design. So some of the portions of the funds are going to be allocated to them for them to administer. And then we have two housing Authority's. We have the Housing Preservation Development Authority, which is going to be really used for a capital injection into affordable housing. How can they get as many solar projects onto their affordable housing projects as possible? And then HCR, New York State Homes and Community Renewal, it's the same capital injection, but there they're doing something quite interesting through the State of New York Mortgage Agency, they're going to put about $8.8 million into a mortgage to allow them to not only get their first home, but also include solar in that mortgage.

I think it's a really good idea and I'm excited about that to see how that works. So there's going to be a decent amount of funds going to those three sub-grantees. Did you have a question?

Arturo Garcia-Costas:
I'm going to wait for you to ask questions.

David Sandbank:
Oh, okay. I'll finish with the slide. I'll pause. There's one more slide after that and I'll be happy to ask questions after each answer questions after each slide. So the strategy here I think is a strong strategy for the State of New York. Number one, we have a really robust, the most robust by far community solar program in the country. And what that allows us to do is reach so many low-income customers in the State of New York without having to put solar on the rooftop because they could be renters. So we're going to be able to have think the best strategy in the country as far as reaching the most low-income customers in our State.

Furthermore, we're going to, in addition to those sub-grantees, we're also going to use the remainder of the funds into existing NY-Sun programs, which are up and running and proven and run. Very efficient financiers. Love it. And it's been very successful up to this point. So we're trying some new things with our sub-grantees, but we're also going to use tried and true methodologies and inject money into there as well for the sake of getting more low income people reaching the benefits of solar and storage. I will stop there and see if there's questions and then I can hit the last slide in a shorter time.

Arturo Garcia-Costas:
Well actually, David, why don't you do this last slide in case you answer my question in the last slide.

David Sandbank:
Okay. I'd be happy to and then I'll pause,

Arturo Garcia-Costas:
You just answered one of my questions right now.

David Sandbank:
There you go.

Yeah, if we can go to the next slide please. So this chart here is essentially showing you on the left hand side, the blue gray chart is what we mean by financial assistance is incentives from the solar for all program by market segment. So as I mentioned, I said that we have a really robust community solar program, and you could see 28% of the funds are going to go to community solar, but because it's such an efficient machine will probably reach way more than 28% of the people. So that'll be more people, less money. And then we're going to have, as I mentioned, multi-family affordable housing. You'll see 23% is going into that, and then the majority of it, almost half of it is going to go into single family residential applications. And on the right hand side it's by region. We really tried hard to remain with looking at the census maps and where the percentages of low-income people actually are and stayed fairly close to that in how we're allocating our funds into the regions.

And you can see 61% is going to go into New York City alone, 27% of rest is State and then Long Island is 12%. And that's closely aligned to what the census map is telling us. And that is the last slide. Happy to take any questions?

Arturo Garcia-Costas:
Yes, thank you for that. Two questions. One, I'm aware that for the Solar for All program there is an emphasis on workforce development, but you didn't mention that as a point of intersection for my circuit programs. So I was wondering if you could perhaps speak to that for a second. And the second is that in addition to the State specific and territory specific solar for all, there is some multi-state, but about more than 30 organizations have submitted for multi-state. I know at least four of them overlap with New York State. So I'm just wondering how a student that one of those four that overlap with New York State, how would sort of work with any nonprofit that actually won one of those multi-state grants?

David Sandbank:
No, that's a good question. Unfortunately, such a good question. I forgot your first one. What was the first one again?

Arturo Garcia-Costas:
Workforce development

David Sandbank:
Workforce. Yes. We're injecting money into workforce development. Our existing workforce development program that we have, we're going to provide more money into it. So although it's not mentioned in here, we are going to be putting money into workforce development to train solar workers.

Arturo Garcia-Costas:
So it is going to be like an integrative approach or because you mentioned the sub-grantees. I guess what I'm asking is in the way that proposal, are you just focusing on the NYSERDA workforce development as opposed to

David Sandbank:
Yes,

Arturo Garcia-Costas:
integrating it into some of the sub awardees that you,

David Sandbank:
I can recall if the sub-grantees are doing, I don't think New York City's doing anything on workforce development. I don't think the affordable housing is done. So yeah, we are just doing the NYSERDA workforce development. We're going to inject money into that.

Arturo Garcia-Costas:
Okay.

David Sandbank:
And then as far as the regional applications, Matt, do you want to handle that one or do you want me to go?

Matthew Brown:
I mean, we're not sure which ones are going to be adopted or not, so we're going to move forwards with what we're going to move forwards with. But obviously if any of them are adopted, we have to figure out how to decipher, are they going to align together, are they going to mesh together?

I think it's TBD at this point to see what comes out in the end and then how if there's any adjustments we need to make, we can make them, some of the rules came out on the EPA solar for all where we can actually move around. I think it's 10% of the funds without asking, without getting permission. So if we see, oh, single family residential, we could back off some of that because some of these regional applications might cover that. We can put it into community solar. We're like, we're allowed to move money around. If it's over 10%, we're going to have to get permission, but we still can move it. We just have to ask for permission to move it. So some of this is TBD when the dust settles to figure out where we all fit in together.

Arturo Garcia-Costas:
Shere, can I just ask one follow up question?

Sherburne Abbott:
Sure.

Arturo Garcia-Costas:
So within the program, let's focused on low middle income census tracks, disadvantaged census tracks, and they're using unfortunately raw, relatively a data dataset from 2010 to highlight the census tracks that are eligible for these resources. But in New York state, by virtue of the CLCPA, we have our own definition of disadvantaged census tracks. And I was wondering if you guys had thought through how that relatively dated the EPA set of census tracks interact with our disadvantaged communities definition?

David Sandbank:
Yeah, no, we've looked at it. What I've been told by my team is that the federal census map is broader than the State census map. And I think that if there's compliance with the CLCPA, we're not going to, I assume, be able to include anything that's not within the New York Census Map, but is in the federal census map.

So we're going to have different rules to abide by the EPA rules. And not only that, there's the IRA rules as well. So some of these projects might get a 10% ITC adder through the IRA, so they're going to have to abide by the federal census map where some of that might not work for the New York Census map. I don't know how unaligned they are, but I am told that federal is more people and wider net than the New York one. But I'm not sure

Arturo Garcia-Costas:
That depends on the area. I

David Sandbank:
I assume So I think New York City is what I was asking about when they said that. Matt, is there anything else you wanted to add there?

Matthew Brown:
No, I'd just say that David's team has been working with some of our information mapping people and they're in the process of overlaying all the maps. So by the time we get to an award for this program and deployment, we'll be able to site by site determine eligibility for each of the different requirements.

Chair Kauffman:
David, it's Richard Kauffman. Thanks for the presentation here. So did you say that the city had an objective of a certain number of customers that this program would reach?

David Sandbank:
Yeah, Richard, they had originally said 3000 and then sort of moved the bar up to 5,000. They wanted to reach 5,000 homes. They want to put together their own solar leasing program where the city would own the product and be a leasing company for the residential homeowner. And then they were hoping that they would have reoccurring revenue to continue that program above and beyond 5,000 homes.

Chair Kauffman:
Okay. Well that was my follow-up question was again, my favorite question is, is this a bridge or a peer? So you're saying there's a chance this could be a bridge to something that can sustain itself after this money?

David Sandbank:
Yes. I will say that what they're doing is aggressive and a handful of companies have been able to do this in the country. So what we all agreed on, and it was a cordial agreement, was let's allocate a certain amount of money for this and see how it goes. If it is not moving in the direction that they were hoping for, we can take that money and reallocate it because that we all thought was a good idea to do.

Chair Kauffman:
Great, thank you.

David Sandbank:
Sure. For the affordable housing, they're also looking at that as reoccurring revenue as well to hopefully continue that program to equal more megawatts in the future.

Arturo Garcia-Costas:
David, since I've been involved in several of, <inaudible> applications recently, one of the things that's been lifted up is that within the program it's shooting for a 20% energy saving per household.

David Sandbank:
That's right.

Arturo Garcia-Costas:
Which it strikes me as pie in the sky type, but that's one of the five key requirements. What's your view on, is it indeed pie in the sky as other are considering?

David Sandbank:
Actually my biggest concern is by American. It's going to dramatically drive up the cost. Depending on where that falls, it might be exempt from single family. I'm assuming it has to be and prevailing wage as well because the market's just not there for that. As far as the 20%, I think it's doable.

We have our existing 10% requirement here in New York. So when I talked about our own existing programs that we can inject money into, we can say, alright, our low income community solar program is a 10% requirement, but we're going to take EPA money, put more money on it. Now it's a 20% requirement. So that's an example of how we can get to 20%. It's just we have prevailing wage requirements already, so that's fine. But if by American is on top of that, the materials aren't there for that right now. I'm assuming there's going to be exceptions. So we'll have to see how it plays out on all these different requirements moving forward.

Sadie McKeown:
I have a quick question. Are you thinking at all about working with weatherization agencies so that you're using so function with other energy efficiency efforts that are being made with DOE funds?

David Sandbank:
When we first started thinking about this, that's where we were going, but the rule specifically said, you cannot do that. This is only solar and potentially solar paired with storage and infrastructure upgrades, but not energy efficiency.

Sadie McKeown:
Yeah, no, I didn't mean using this money. I meant partnering authorization agencies that are already doing efficiency at buildings because they focus on low income, they focus on affordable housing, multi and single family. So I just wondered it's a great way to package it.

Matthew Brown:
Yeah, so two of the sub-grantees that David already mentioned, HCR and HPD are the two housing agencies that for the most part deploy weatherization funds across the state. So to the extent that they're going to integrate them into the same programs, that's certainly possible. But what I know as a more macro statement is both of the housing agencies have an agreement with have agreements me separate agreements with NYSERDA that they are working through their programs, they're integrating funds in partnership with us to develop more advanced energy efficiency requirements, electrification requirements, and renewable energy requirements. They then use those experiences and adopt 'em into their development guidelines. So even if the funding itself doesn't necessarily overlap, the experiences within the Authority's does and then gets integrated on a longer term basis into their design guidelines and criteria.

Anthony J. Fiore:
Hey, there's no other questions then I think we will move on to discuss the HER/HEAR program with Courtney, director of Single Family residential program to present. Courtney?

Courtney Moriarta:
Yeah, thanks Anthony. And I think I can go ahead to the next slide. I think that last question was a good segue to this topic, so thanks for that. And I might mention also that we also have our Clean Energy Hubs that will play a role in connecting the dots for homeowners that are participating in these programs. So they will help in making those connections even with the weatherization programs, the programs I'm about to talk about here. And programs like Solar for All, as well as other kind of assistance programs that are available to those market segments. So her and here, this is a really exciting opportunity for us for the State and for the nation. What this funding does is it provides rebates under two different programs for both energy efficiency and also to support electrification of homes residential, so single family and multifamily and it's formula funding that we're getting through DOE.

We're getting $318 million roughly to run these two programs. The allocation is split roughly evenly between the two programs. And the distinction of the two programs is HER, what's known as HER is a Home Efficiency Rebate program. It's a performance-based rebate, so it requires homes to achieve a certain percent of energy savings in order to be eligible to obtain the rebates and be eligible for that. And that program is offered to any market segment. So there are some income guidelines that will increase the amount of rebate that's available to homeowners that fall into the low and moderate income category, but it is available to everyone. And then the HEAR program is the Home Electrification Appliance Rebate program, and that one is, as the name would suggest, really geared towards bringing more electrification to homes through prescriptive rebates. So there's a list of eligible measures with prescriptive rebates that we can provide funding for.

Everything from induction stoves to heat pump water heaters and heat pump clothes dryers and heat pumps for heating the home as well. And then there's some additional money available for some other measures like weatherization that would also be covered under the HER program. So there's an opportunity here for us to potentially combine these programs with our existing programs. As Anthony mentioned, we really want to take advantage of the opportunity to leverage the existing program delivery infrastructure that we already have in place, both through our Empower Plus, which serves a low and modern income communities, as well as we have some infrastructure that we've been building under a pilot program that we call Comfort Home that was geared towards market rate, but it's also a performance-based incentive. So it's going to fit in that program delivery structure is going to fit very well into her program as it's specified in the law.

So we feel very confident that we have the existing program infrastructure in place to deliver these rebates fairly seamlessly to the market. We definitely have a contractor network that's capable of delivering the services to the homeowners. So the tricky part here is going to be kind of figuring out how do we effectively layer these incentives in a way that is going to really help stimulate more uptake, get to deeper energy savings, get to more uptake of electrification and adoption of heat pumps statewide. And that's really what we're aiming at is kind of gives us this opportunity to take this extra money and fill in gaps that we have in our current funding streams as well as to open up the opportunity for more homes to be served across all income segments. So the kind of schedule on this is that we do have an application in already, DOE gave us the opportunity to apply for early administrative funding to help support our planning process.

So our application went in back in July. Our understanding is they're reviewing it right now, so hopefully we'll have that money available to us very soon. And that was a $5 million allocation out of the full 318. And then we do have the administrative and legal requirements available to us that we're working through right now to really start putting pen to paper on the plan for how we're going to implement these programs. We do have a couple of stakeholder meetings scheduled for next week that will kick off that planning process. And so we're pretty excited about that and getting that going. And then to answer the question that was posed earlier about the market transformational aspects or the sustainable impacts of these programs, this $300 million, it's a lot of money, but in the context of our 8 million or so dwelling units we have in New York State, it's not going to go very far.

However, we do think it will give us a really good solid opportunity to get out there and really deploy some good electrification retrofits to homes and really kind of prove the model that heat pumps do work and sort of get people to experience the benefits of these electrification measures in their homes and also get the contractor base up and running and able to deliver these services more broadly than what we have today. So we do see this as an opportunity to stimulate the market and get the market set up for further success in the future in delivering these services on a wider scale and sort of normalize it, bring it into the normal course of business. So we're aiming for that. And then I did want to note related to that, there is also this contractor training grant program, $6.3 million, that's also a formula grant to the states that we are working on collaboratively with.

My team is working with the workforce development team to apply for that money, and that's directly to support contractor training and credentialing and business development to support these two programs. So we'll be able to sort of leverage that money in addition to our existing workforce programs and reach more contractors and get them up and running to be able to deliver these services. So we do expect that the application will go in sometime in the next few months. We don't know how long it will take for DOE to review the applications, but our hope is that we will be able to actually get this money out into the market sometime in early 2024. Any questions?

Chair Kauffman:
So just to follow up, so emphasis is going to be on heat pumps.

Courtney Moriarta:
The emphasis is both electrification ready and electrified. So we'll be able to leverage the efficiency rebates in the context of making homes electrification ready by insulating and weatherizing. And then with the here rebates, we'll be able to directly subsidize the installation of both heat pumps, heat pump water heaters, and some electrified appliances as well.

Vice Chair Bell:
So we have challenges with housing affordability in many parts of New York state. And so in listening to this, I mean it seems to me like applying for a rebate is sort of this volunteeristic activity that all things being equal, like upper income people are maybe better poised to do because they research these things and have the wherewithal to apply for it. So if you took the lens where you want to say we want to make a full court press to make sure that people who are experiencing housing affordability challenges or the LMI homeowners throughout the State that we'd like to see it penetrated as much as possible within all of those segments. What do we have as a strategy for this? It seems to me it's a little bit challenging to not have it needs tested or have a cap on who can apply for it.

Courtney Moriarta:
So there are income eligibility guidelines and there's additional incentives available to the lower and moderate income, but essentially they're doubled, the rebates are doubled and the here rebates are available only up to 150% of AMI. So it's really targeting what the legislation calls low income. We would consider low to moderate income, but it does give us the ability really to serve that moderate income segment a little bit better than we can today with the funding we currently have available. What I didn't mention is contained within the plan is a requirement for us to complete a community benefits plan. So we'll be working on that and addressing some of the issues that you raised and trying to understand how we can really leverage this money in a way that is getting to the people who need it the most and prioritizing them and being able to leverage it against what we already do with our Empower Plus programs as well.

Vice Chair Bell:
So is there a challenge there though to market it to the LMI segments so that we get the uptake among those homeowners?

Courtney Moriarta:
There will be, yeah. Yeah. And we'll need to work on how we do that. We will be working with the hubs again to help facilitate some of that. And then we also, we will be working with our stakeholders to sort of develop out those plans and really understand how we can get to those priority populations. There's also requirements too, for disadvantaged communities, we have to meet Justice 40 requirements.

Vice Chair Bell:
Oh, okay, good.

Courtney Moriarta:
And then there's allocations also per minimum amounts to be spent to serve multifamily and also to serve low income.

Vice Chair Bell:
Okay, fantastic.

Anthony J. Fiore:
Okay, so we've got five presenters left. We've got about 35 Minutes left, so I'm going to ask each 29 Minutes now, spend no more than two to three Minutes on presenting one to two Minutes for questions if the desire is to stay on time. So with that, I'd like to ask John Lochner, our Vice President of Innovation to come up and speak about the Northeast Regional Hydrogen Hub.

John Lochner:
Thanks Anthony. And hopefully I can be quick. I, we've already had a briefing on this, but just as a reminder for everyone, we applied as one of seven states when I sort of leading this prime to the hydrogen hub from DOE, that was due in April. Since April. We received reviewer comments and questions in late May to which we responded in early June as we understand it from, what can I say, gossip. We were one of roughly 30 that got those questions. And then following that in late July, we heard from Youi where we were invited down to Washington DC for an all day set of meetings to respond to questions they had on our proposal. I think everybody involved thinks that meeting went very well, including the head of the hub, Adam Zurofsky, the states that were on the call with us, our consulting partners and the NYSERDA team. So feeling good about that. And again, from gossip, we think we were roughly one of 10 that made it to that part of the conversation with DOE we are hoping to hear very soon. There was a lot of gossip that the announcement was going to be made on this past Monday. Secretary Granholm instead got up at a hydrogen conference in DC and said, you're all here to hear me announce something, but I'm not going to expect soon, most likely this month.

So that's where we are looking forward to hopefully another update soon on this. But just to say we continue through the process and it's been, I would say our side a great opportunity to continue to communicate with DOE on how what we're planning to do is directly aligned with their goals from an EJ perspective, a later perspective and to support, to Richard's perspective, how to help scale an industry to where it can really react to the market more than it does to our substance. Happy to respond to any questions.

Doreen Harris:
Can you show our beautiful photo of us.

John Lochner:
Do we have a beautiful, oh yes, there we go. And this was Craig Connelly on the Innovation team put this together and I can't recall the truck oem, but he got a hydrogen powered truck to

come visit the NYSERDA office in Albany. And I believe Doreen, you got a ride. Some people got a ride right?

Unknown Speaker:
Because it was a truck or because it was a hydrogen truck, a hydrogen truck rather quickly through the NYSERDA complex. Good luck.

John Lochner:
Thank you very much.

Unknown Speaker:
Yeah, good luck. Exciting.

Anthony J. Fiore:
Okay, so if you can advance two slides and we'll turn to Matthew Brown, our Program Manager for the Federal Funding group who will speak on the Climate Pollution Reduction grant.

Matthew Brown:
Great, thanks Anthony. Next slide please. So this one, climate pollution reduction grant fund is out of the EPA portfolio. It was approved under the IRA for a total of $5 billion. This is, at least to me, one of the really, really exciting opportunities that's coming out. It gives us the opportunity to do some things that some of our core funding doesn't always allow us to do just for basic eligibility rules. But this funding is broken into two components or phases. Phase one was planning grants, which was formulaic in nature. So New York State was allocated a $3 million formula grant. And our partners and colleagues at DEC in addition to NYSERDA, Department of State and several other State agencies put together a coalition under DEC'S leadership. We applied for the grant, we were approved and we're now moving forward with implementing that work.

There are three major deliverables that will be completed with the funding for that planning grant, but really importantly, what completing the planning grant allows us to do is be eligible for the implementation funding. So we're really, really excited that about two weeks ago today, the phase two of this grant just got launched. So right now, staff from across NYSERDA, DEC, Department of State, NYPA, DPS and some of our other friends and colleagues and our stakeholders that we work with all the time, we're all visibly reading the formula, the nofo right now what the rules of the program are. I'll just oversimplify it and say it is all about emissions reduction and it's very clear from the EPA that they want a focus on municipalities that are on disadvantaged communities. It's not exclusively that, but that's very clear and it's very clear that they want to see program strategies that are not currently funded or are insufficiently funded through other means currently.

So it's really interesting and opportunity for us all to come together and figure out some of those program ideas that really need that first infusion of cash to get up and going. Or the next level to really expand 'em. Timing for this right now is we're going through the process of <inaudible>. We need to get program strategies collectively between all the agencies on the table, figure out what people's thoughts are. We'll go through a process over the next six months of ling that down to go for an application. It's very clear we're going to go for an application similar to the solar for all the EPA issued this with similar selection criteria and also importantly, similar expectations for how many awards they were going to go for.

One of the categories is, I forgot what they call it, but the large award, I'll just call it that. That's not, its actual name, $200 to $500 million. So I would expect New York if we don't go for that, that we would strongly consider going for that, but it's a substantial amount of grant funding that is potentially eligible for this. So more to come on this, but I think we're at that exciting stage of trying to figure out what all the things are that we might be able to put on the table for you to consider. Happy to take any questions.

Anthony J. Fiore:
Okay, thanks Matt. I think next we'll turn to Vincent Riscica who is a Senior Project Manager on David's team and we'll speak about what I think is a very exciting program area electric school buses funded through New York State Bond App.

Vincent Riscica:
Right. Next slide please. So quick background, we have around 45,000 buses, school buses in New York State 2022 Budget. It was a requirement to so that all new school buses purchased in New York State are zero emission by 2027, and all buses in the fleet are zero emission by 2035 rather aggressive timelines. So as part of that, we were asked to put together electric school bus roadmap and guidebook to support the transition. The roadmap is a policy document sort of laying out where we think we are right now, what are the challenges, what are the benefits of this process, and what do we think the expected costs will be. This is a report that will be updated every three years. So we focused for this portion of the report on the first few years leading up to 2027. What we think we can accomplish and what available funding can help us do for school districts as they reach the point where they can only purchase zero emission buses.

So some of the key findings, all the major manufacturers make electric school buses. Right now there are new companies entering the market as well. We've made transit buses. Those ranges of those buses are within the operating range of most of the school buses across the state. So we think that most school districts, if not all school districts can participate now by purchasing a bus or two. And the existing funding that we have can help districts purchase buses without significantly increasing their operating expenses. The cost of a school bus itself and electric school buses can be three times more than a diesel equivalent, but with these incentive programs, they can purchase them around the same price and then realize the operating cost savings that come with electric vehicles.

Next slide please. In addition to that, we are also developing a series of guides you're referring to as the electric school bus guidebook. These are more for school bus fleet owners, so school districts and contractors who own the buses and operate the buses. Helping them to understand what actions they need to take throughout this process, what types of questions they should be asking of their utilities and their dealers, how to prepare for the process. And importantly, these guys are going to be sort of a living resource. So we're going to update them over time as obviously more information will be available about incentive programs or utility programs that they can take advantage of or new information on technologies like vehicle to grid technology, which can help them receive some operational cost savings and benefits. And then lastly, last slide.

We just announced last week the New York School Bus Incentive Program. This announcement includes the first a hundred million dollars that are being allocated to the Environmental Bond Act, and this program is essentially set up as a point of sale rebate program, very similar to our existing and successful New York truck voucher incentive program. So it can cover up to a hundred percent of the cost difference between a diesel and an electric bus. The base incentive amount is around 60% of that, which is $115 to $140,000 with bonuses for priority districts and scrappage that can bring that up to close to a hundred percent, as we said, of the incremental cost difference. Right now, the school bus manufacturers and vendors are applying to have their school buses included, and then later in November we will start accepting applications for the program. In addition to this, we're also providing other financial resources and technical assistance to help school districts prepare and develop fleet transition plans in preparation of the mandates. Any questions?

Chair Kauffman:
Can you just talk a little bit more about the vehicle to grid point?

Vincent Riscica:
Sure. So most of the utilities are getting to the point where this is possible. We've done some pilots across the State to demonstrate that technology can work, essentially that the idea is that especially for school buses, since their operating schedules are pretty limited and predictable, and over the summer when grid spikes happen, they'll be sitting and essentially act as mobile storage units for selling energy back to the grid. So we've demonstrated in a case study in White Plains that the technology works now, the process is essentially seeing what is the financial benefit that can be provided through this National Grid is demonstrated that is working in Massachusetts. We just needed to develop some case studies in New York. We have a program that we're evaluating applications for right now that several school bus owners have applied for to potentially develop that technology and test it in New York.

Chair Kauffman:
So that's great. So I'm hoping that we're also thinking about the fact that buses can move so that it's not just critical to grid at where they're parked.

Vincent Riscica:
Sure, absolutely.

Arturo Garcia-Costas:
Up on Richard's question there. So to what extent as we invest in looking at these big vehicle to grid options, are the state's utilities in the mix to scale that up and start to actually foot the bill for a wider spread deployment?

Vincent Riscica:
So that's a good question. I think one thing that's happening throughout this process is there's a proceeding on medium and heavy duty vehicle electrification and the impacts on the grid, and I

think I would expect that there would be some funding available to support that, but obviously that's a couple of years out. We're definitely working with all the utilities and trying to develop case studies, but we're early in the process. So I think that longer term full scale implementation will require that support from the utilities that we'll hopefully see after the proceeding.

David Sandbank:
I think the electric school bus is one of the best use cases for vehicle to grid, for all the reasons Vinny said it is. And the more we deploy those school buses, the more utilities are going to get interested. Right now it's a bit of a thought, but I'm hoping with the deployment of electric school buses, we can work and partner with some utility companies to do some pilot programs around the State to prove it out.

Arturo Garcia-Costas:
Well, California has done those pilot programs, so I always believe in not reinventing wheel and seeing's appropriate or applicable to our situation that other states have done. And so I read a couple of those school bus based vehicle to grid and I think there's some interesting data there.

David Sandbank:
Yeah.

Chair Kauffman:
The other thing, and we've talked in the past about the programs related to health. I don't know what we can do here, but diesel bus with kids and asthma and all that. It would be good if there could be some connection to that.

Vincent Riscica:
Yeah, absolutely. When we talk about the program and actually our first guide that we released was about the benefits and really focused on the public health benefits. I'm absolutely trying to make that point as much as possible. Most of the school districts understand that, get it, and are very supportive of electrification for that reason. So really about expanding education to the school district voters.

Chair Kauffman:
I mean ultimately I think the question on this when we talk about health is we talk about affordability. If we can actually collect the data

Sherburne Abbott:
Numbers

Chair Kauffman:
And if they're reduced public health costs, then that's that money can be directed towards energy stuff. So it's to reduce the direct rate shock on electricity customers.

Arturo Garcia-Costas:
Thank you. We act for environmental justice

Sherburne Abbott:
Benefits analysis out there.

Chair Kauffman:
Pardon?

Sherburne Abbott:
There's a lot of co-benefit analysis.

Vincent Riscica:
Albany.

Arturo Garcia-Costas:
Yeah, we act for environmental justice. Worked with Columbia Center for Children's Mental Health to do a very impactful study that kind of estimated some of the health benefits and the costs associated with them that Richard just referenced a number of years back. So probably there's more recent data, but I'm not sure if it's going to be from New York State or New York City.

Vincent Riscica:
Yep.

Anthony J. Fiore:
Okay, great. Thanks. Appreciate it. We're going to next turn to Susanne DesRoches, our Vice President of Clean and Resilient Buildings, who will talk about the New Efficiency New York order.

Susanne DesRoches:
Thanks, Anthony. Hello everyone. I think I the last presentation for today or maybe Bond Act after me, so I'll try to make it quick. So we are in the middle of the New Efficiency New York interim review with the Public Service Commission. We could go to the next slide. We just wanted to cover a few key dates that are coming up. So again, as a reminder, this will establish the rate payer funding and program administrator roles for 2026 through 2030, and that's as the Clean Energy Fund starts to wind down. So the order directing energy efficiency and building electrification proposals was issued on July 20th. That sets the clock for us to start putting our proposal together, which is due on October 18th, and that is the investor owned utilities also as program administrators submitting their proposals that will be followed by technical conferences in the November timeframe.

Obviously the proposals will be put out for public comment, which will be due in January. And then we anticipate an order happening in April and June, April through June timeframe, ordering the NYSERDA and utility proposals to start in that 2026 timeframe. So just a couple of notes on this. It did set up four different groups that are putting in proposals. So that is the buildings proposal, the buildings sector, and also communities and partnerships team here at NYSERDA. And then in July will file petitions related to NY Green Bank review and innovation and research. So it did this New Efficiency New York did split up the portfolio into these four categories. That petition will be followed by a quarter, roughly a year later. Just in the bottom right hand, you can see a couple of other notes. This is basically other programs that had portions of them in the CEF will be handled in different ways here.

NY-Sun will be considered part of the CES review in summer of 2024. And then the EV program will be part of the EV make ready midpoint review, which is currently ongoing. So that sort of gives you all of the milestones of all the parts and pieces that are moving through regulatory review now. So if we go to the next slide, I'm just going to do two slides here. There's a lot on here so I won't go through it all. This is really an overview on the left top of our program roles in the low and moderate income space. This really has expanded. So my serve will be administering all of the state's one to four family LMI programs. We will be the administrator for upstate multifamily LMI. And then the order asked us to develop a coexistence with downstate utilities to serve the multifamily LMI residential downstate, which is a collaboration that's currently ongoing.

We'll continue to administer affordable new construction as well. We will be offering for the multifamily LMI space incentives, technical assistance and access to funding, access to financial solutions. So that's sort of our LMI program roles. On the right, you see non-LMI roles, and I'll just pause here to say that the order was very specific in terms of splitting out low and moderate income program funding and non low and moderate income funding. So that's why you're seeing this split there. The proposals will all be split in this way as well as per the order. So you can see here on the right, these are some roles that we do now and we do well. So we have workforce development codes and standards, our technical assistance. So we'll be providing that statewide technical assistance. So be continuing our demonstrations. So we've talked at the last Board meeting about the buildings of excellence program.

That's one that we expect to continue into the future. And then a category of general consumer awareness and outreach. So the proposal will be aligned with these roles and obviously we're working quite busily now as October 18th is right around the corner just to highlight some of the specific utility roles. So they will continue to administer market rate and use incentives and also be responsible for building shell programs. So this will be a new area for the utilities to be really branching into that building shell upgrades that we know is needed now that some of that low hanging fruit has already been picked as well. There is an indefinite pause on consideration of earnings adjustment mechanisms. So we're going to move to the next slide.

Chair Kauffman:
Hey Susanne, can I just interrupt you on that? Why is that? Why is there a definite pause on?

Susanne DesRoches:
So that was in the order, Richard. So the PSC determined that the earnings adjustments may or may not be necessary. So they didn't end them, they just paused 'em.

Chair Kauffman:
Okay, thank you.

Susanne DesRoches:
Yep. So I am going to just wrap this in about a minute and I understand we have one more presenter. So high level here, our annual Budget from this order will be about $300 million, $200 million for LMI, $100 million for non LMI split across all of those roles. There will be new metrics and targets established and as well will be meeting the 35% minimum with the goal of 40 for disadvantaged communities. So I'm going to stop there because I know we've got one more to get through. Thank you.

Anthony J. Fiore:
May be time for one question. Okay. Then I'd like to invite Erich Scherer, Director of Strategy up to ran us out with the brief remarks on the Strategic Outlook.

Erich Scherer:
Good afternoon everyone. I'm finding myself with the unexpected luxury of having five Minutes here. I expect not to need the more. I'm here with an update on NYSERDA's Strategic Outlook. You'll recall that in January, earlier this year, we presented to you with the latest NYSERDA Strategic Outlook. So you'd be forgiven for thinking that it's fit early today to talk about the next one, which is indeed the case. And today's update is only on the timeline for the next Strategic Outlook. Next slide please. Which is to say that we concluded it would make sense to change the timing of the upcoming outlook from January to April. The reason for that is not that we no longer have Jamie Dickerson around to help move this effort forward. There are actually some clear advantages to changing the timing here, primarily around alignment, alignment with the State of the State of the announcements happening in January, as was so far the case with the Strategic Outlook.

You would appreciate that that being the case, this really only allowed for, if you will, last minute updates to the Strategic Outlook to reflect the State of the state. So April timeline will allow for State of the State announcements to be more properly built into the Strategic Outlook. And secondly, similarly on NYSERDA into internal team goal setting where this revised timing approach allows for a sequencing where first NY service team goals are established and then the Strategic Outlook builds them into the Strategic Outlook rather than the other way around. And finally, to note in January, you'll recall we noted that the final solving plan had of course been published at that point and we indicated our intention for the next Strategic Outlook to be revised to reflect the Scoping Plan. So to build in transparency line of sight between the objectives and strategies in the Scoping Plan and how our Strategic Outlook reflects life service's efforts in that respect. And that change is going to take a little bit of time to implement. So that's the extent of my update.

Doreen Harris:
So our request, really the purpose of this item today is to really request this change, propose this change for 2024 only, and we'll see how it goes. This is a pretty major rework and we'll see if this timing is advantageous in the longer term once we play out through this year.

Sherburne Abbott:
Okay, good.

Anthony J. Fiore:
That concludes our presentation.

Sherburne Abbott:
So given the due dates and milestones that are coming up in the next couple of weeks and timing of this meeting, I think we all really appreciate the opportunity that you actually had the time to come and do this because workflow perspective, it's really challenging and we understand. I understand that I have one only an academic would ask this question, but no, as a follow onto to that, a huge amount of human capital goes into this process. And so in the event, so given that Anthony, we don't know if the gossip flowed here, so we really don't know what the outcomes of all of this are going to be. So my question is, what happens to what you've known in that human capital and the leverage to existing programs going forward if these do not come about? Obviously that's a hypothetical and an incredibly difficult question to answer, but nonetheless, the timing of the question is important from,

Anthony J. Fiore:
I mean, I think that goes back to something that I talked a little bit earlier about is prioritizing what we are going after. That $2 billion pipeline that we presented is not everything that's out there and we've been looking really hard about what we are going after with the capacity that we have. And in fact, there's been some opportunities where we've turned down because we think the ability to execute on that was quite difficult because it was not totally within the control of our own organization we have with others, including utilities that make the uncertainty a little bit higher. So I think it's through that strategic prioritization and then this funding doesn't come through. I think we still have ambitious targets for what we're doing with our baseline amount of funding, and so we'll be continuing to program and go forward there. Pam, you look like you would like

Pam Poisson:
And just one thing as a compliment from a financial and human resources planning standpoint, as we've been working with all of the teams to do resource planning on a yearly and longer basis now, really trying to ensure that we don't get ahead of that funding. So being very strategic on the timing, using a mix of employees and contracted resources, and honestly just keeping an eye on forecasted turnover that naturally occurs so that if we have to adjust, we've got a line of sight to do so in a very smart way.

Anthony J. Fiore:
I thought you were going to ask the mirror to that question is what are you going to do if you get all this funding? Are you going to get that into the market?

Sherburne Abbott:
I never asked that.

Anthony J. Fiore:
Well, for the Program Officer, that's a real concern that people sleep at night. Right. But yeah.

Arturo Garcia-Costas:
So I know we're at time, but I had one really quick question. So between the new federal funding and CLCPA implementation, we're going to have historic levels of funding flowing into New York State in a variety of ways. And I'm just wondering to what extent NYSERDA could begin more intentionally working in partnership with philanthropy on capacity issues. Are you already seeing potential capacity gaps in disadvantaged communities, in the organizations, in those communities that you want to partner with? That philanthropy could help to do planning grants or different types of feasibility grants that Nyer is not as set up to do quite quickly. This is an ongoing conversation within philanthropy at the moment, and indeed, I'm going to be at the White House in a couple of weeks looking at how philanthropy can help with the IRA implementation. So to whatever extent it makes sense to maybe have a little bit of a meeting of the minds between NYSERDA and New York, the New York philanthropic community on how to address some of these potential capacity gaps. I think that would be very useful in the early stages of all this.

Anthony J. Fiore:
Yeah, I think that's a great flag. And we are working with community organizations across the State that represent Hispanic communities through our energy equity collaborative. I think that's helping to provide some of that insight where there may be capacity gaps and then also maybe not on philanthropic side, but I know when Andrew was developing the community decarbonization fund, looking at whether or not there were capacity gaps for CDFIs that would be applying into that fund and coming up with resources to assist them to be able to do that. So it's certainly top of mind for us, but I think it's always a good reminder to be thinking that way and be of interest to learn what you hear through your discussions.

Sadie McKeown:
I do think in the IRA and the greenhouse gas, there will be a lot of capacity building capital coming out of the CCIA and whether it's directly to the not-for-profits, you're talking about Arturo, there'll be a lot more capacity building trainings, materials that I think will naturally spread. But hiring is a challenge. Finding that the talent, I will say we just put out for a sustainability associated CPC and had 130 resumes. So the young people are out there and they're eager. I do think there'll be a lot of interest in coming into this space and having these opportunities, but we will all be competing for some of the more seasoned talent, which will be challenging.

Sherburne Abbott:
Yes. Okay, great. Thank you. No formal action is required on this item. Last item on the agenda is other business. Is there any other business? Do I have a motion to adjourn? All in favor?

Members of the Committee:
Aye. Aye.

Sherburne Abbott:
Meeting is adjourned.