

January 9, 2026

NYSERDA  
17 Columbia Circle  
Albany, NY 12203

Via email [rggiprograms@nyserda.ny.gov](mailto:rggiprograms@nyserda.ny.gov)

Re: Comments on New York State Regional Greenhouse Gas Initiative (RGGI) 2026 Draft Operating Plan Amendment

Dear NYSERDA:

Thank you for the opportunity to comment on the RGGI 2026 Draft Operating Plan Amendment (“2026 Draft Plan”).

NRDC was instrumental in the creation of RGGI and has been deeply involved in its implementation and expansion. New Yorkers for Clean Power, Acadia Center and the Alliance for Clean Energy New York (ACE NY) are long-time supporters of RGGI and its associated programs. We are hugely supportive of the new Proposed Regulations and model rule released in December to deliver a strengthened RGGI program and continue to deliver crucial benefits to New Yorkers; unfortunately, this amendment to the 2026 Draft Operating Plan undermines the promise of the new program by frittering away a third of additional future program funding that should be used to directly benefit DACs, reduce greenhouse gas and co-pollutant emissions, permanently reduce energy bills, and invest in our communities through RGGI programs that have historically had an eight to one savings to cost ratio in New York.<sup>1</sup>

New York has now had more than a decade and a half of experience delivering benefits from RGGI, with remarkable results: investments totaling more than \$2.5 billion, resulting in Estimated Cumulative Annual Energy Bill Savings Realized by Participating Customers of \$779,630,837, through Q4 of 2024.<sup>2</sup> Continuing these critical interventions is more important than ever and increasing investments in those programs that provide long-term, broad benefits to New Yorkers, including more affordable energy, and cleaner air which reduces health impacts for vulnerable populations like children and the elderly, thereby reducing societal healthcare

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<sup>1</sup> See footnote 3 referencing RGGI Semiannual Status Report through June 30, 2025, calculating lifetime customer savings divided by total program incentives and associated costs, yielding an 8:1 ratio.

<sup>2</sup> Open NY Data, New York State RGGI Funds, *Estimated Cumulative Annual Energy Bill Savings Realized by Participating Customers* \$779,630,837, through Q4 of 2024.

[https://data.ny.gov/Energy-Environment/Summary-of-Portfolio-Benefits-from-RGGI-Funded-Pro/euip-iahh/data\\_preview](https://data.ny.gov/Energy-Environment/Summary-of-Portfolio-Benefits-from-RGGI-Funded-Pro/euip-iahh/data_preview)

costs and improving quality of life and economic productivity, is the smart choice for affordability.

Effective, Long-Lasting Investments are Better Than Tiny Rebates for Impact, Equity, and Affordability:

The 2026 Draft Plan proposes an “affordability strategy” that would give away 34% of any additional auction proceeds over the modeled allowance prices at \$20.29 and 20.42, significantly lower than the most recent December 2025 auction allowance price of \$26.73. As an overly simplified comparison (ignoring cost containment reserves etc.) if the three future program year allowances sold for \$26 rather than the ~\$20 as modeled, auctions would yield nearly \$350 million in additional proceeds. In this example, the “affordability strategy” would take more than \$100m from highly beneficial RGGI-supported programs and result in only tiny bill credits.

Your RGGI Semiannual Status Report through June 30, 2025, in Table 1 shows Energy Bill Savings to Participating Customers, Expected Total Lifetime Savings of \$11,775.68 (\$ million). And Total Program Incentives \$1,286.7 and Total Associated Costs of \$183.6 – combined, \$1,470.3 – (all \$ millions), yielding eight dollars of savings for each dollar of costs.<sup>3</sup> With such an impressive savings to cost ratio (8:1), using all additional proceeds above the understandably conservative numbers modeled for the next three program years for EmPower+ and other critical affordability programs, that also improve health, comfort, and reduce emissions, is a far better and more socially and economically efficient use of proceeds.

Regarding the total cost and individual impact of utility bill credits, there is a recent example to reference. In the 2023 New York state budget, \$200 million was included for utility bill credits. The resulting one-time credits that were distributed as ordered by the Public Service Commission in case 23-M-0298 in early 2024 ranged from \$7 to 25 per account.<sup>4</sup> Assuming \$100 million of proceeds is misdirected to bill credits over three years, those annual credits could be as low as \$3, and likely not larger than \$9.

Regarding equity, the draft operating plan amendment shows that for the currently programmed anticipated proceeds 44% will benefit DACs;<sup>5</sup> there is no such assurance or

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<sup>3</sup> NYSERDA. New York State Regional Greenhouse Gas Initiative-Funded Programs. Semiannual Status Report through June 30, 2025. Final Report, December 2025. Table 1 at 3, Table 2 at 4. At <https://www.nyscrda.ny.gov/-/media/Project/Nyserda/Files/Publications/Energy-Analysis/RGGI/RGGI-StatusReport-Q2-25-final.pdf>

<sup>4</sup> See Case 23-M-0298, Order Authorizing Energy Bill Credit, Issued and Effective: February 15, 2024. Appendix. At <https://documents.dps.ny.gov/public/Common/ViewDoc.aspx?DocRefId={80E0AD8D-0000-C215-88B0-908298828CBD}&DocTitle=Order%20Authorizing%20Energy%20Bill%20Credit>

<sup>5</sup> RGGI 2026 Draft Operating Plan Amendment, Appendix 2, at 10, at <https://www.nyscrda.ny.gov/-/media/Project/Nyserda/Files/EE/RGGI/2026-Draft-Operating-Plan-Amendment.pdf>

mechanism to ensure that any rebates would be targeted or equitably apportioned to LMI households or DACs, delivering only a minimal bill credit per customer, and not reducing emissions and air pollution, increasing community investment, or delivering more efficient homes that benefit residents with perpetually lower energy bills.

Support for EmPower+ Program:

NRDC strongly supports the proposed increased funding in the 2026 Draft Plan for EmPower+ to improve the comfort, affordability, health and safety of homes for LMI households in New York. EmPower+ funding can cover a range of upgrades, with prioritization for core energy efficiency improvements, including insulation, air sealing, and health and safety items. For homes that have air sealing and insulation completed, contractors can make recommendations to upgrade heating and cooling equipment. These retrofits last for decades and have broad and long-lasting non-energy benefits for the households and their surrounding communities and also create good jobs for the participating local efficiency and HVAC contractors. EmPower+ is a vital tool for LMI families to reap the financial and health-related benefits of energy-efficient homes. New Yorkers living in DACs often reside in older buildings that require the health and safety upgrades afforded by the EmPower+ Program. Additionally, the brief gap in funding in 2025 that was eventually filled by money from RGGI demonstrates the precariousness of the program's funding sources. We encourage continuation of the proposed increased funding for EmPower+ through RGGI at the higher FY25-26/ FY26-27 levels.

Support for Offshore Wind Predevelopment Support Program:

Finally, we strongly support the use of RGGI funds under the Large-Scale Generation Programs to advance a new Offshore Wind Predevelopment Support Program. This Program would enable New York State to co-invest in targeted, project-specific predevelopment activities that can meaningfully accelerate project timelines. By providing developers with greater certainty of state support, the Program would allow continued investment in project development while also giving the State confidence that supported projects remain committed to advancing in New York.

This cost-sharing approach will ultimately benefit ratepayers by reducing overall project costs, lowering future bid prices, and sending a clear signal to the offshore wind market during a period of heightened uncertainty. In doing so, the Program will help ensure the delivery of clean, reliable energy at affordable and stable prices – particularly for downstate New York – while advancing New York's obligation to invest RGGI funds in renewable and non-emitting technologies.

We also emphasize the importance of protecting the substantial progress New York has already made in building a domestic offshore wind industry. Investments in projects such as Propel NY,

the Brooklyn Clean Energy Hub, and the South Brooklyn Marine Terminal reflect years of public-private collaboration and have already brought billions of dollars and tangible economic benefits to communities across the State. Recent actions by NYSERDA, including the launch of a \$300 million competitive solicitation to support multi-use port infrastructure capable of serving offshore wind and other industries, further demonstrate the State's commitment to strengthening working waterfronts, attracting private investment, and creating good-paying jobs. The proposed Predevelopment Support Program would complement these port investments by helping ensure that offshore wind projects advance in parallel, allowing New York to fully realize the long-term economic and supply-chain benefits of its strategic investments. These gains should not be put at risk. Taking decisive action now will help preserve New York's leadership position, maintain investor confidence, and ensure that the State remains well positioned to continue offshore wind development once federal conditions stabilize.

Sincerely,

Acadia Center

Alliance for Clean Energy New York

Natural Resources Defense Council

New Yorkers for Clean Power