



NYSERDA

**Department
of Public Service**

April 23, 2020

Case 18-M-0084 – In the Matter of a Comprehensive Energy Efficiency Initiative
Case 14-M-0094 – Proceeding on Motion of the Commission to Consider a Clean Energy Fund

**COVID-19 RESPONSE LETTER FROM PUBLIC SERVICE COMMISSION CHAIR RHODES AND
NYSERDA PRESIDENT ALICIA BARTON**

On behalf of our organizations at the Department of Public Service (DPS) and the New York State Energy Research and Development Authority (NYSERDA), we hope that this communication finds you, your families, and your colleagues in good health and safety during this COVID-19 public health emergency. New York State has been uniquely impacted by this event, and our organizations are doing everything in our collective power to support the state's response to COVID-19 with the top priority being to protect the health and safety of New Yorkers.

Despite the current focus on combatting the public health emergency, our commitment to New York's nation-leading clean energy objectives remains steadfast. Unfortunately, the clean energy industry in New York has already been deeply impacted by the COVID-19 crisis. On April 1, 2020 the leadership of the New York State energy and climate agencies issued a [joint letter](#) to the clean energy industry voicing our commitment to undertake measures to support the industry during this unprecedented moment. That effort includes engaging stakeholders across all clean energy sectors, including renewable energy, clean transportation, energy efficiency and heat pumps.

As part of these efforts, on March 27, 2020 over 800 individuals participated in a Webinar, jointly hosted by the Department of Public Service and the New York State Energy Research and Development Authority, to provide initial input on the impacts the COVID-19 pandemic is having on energy efficiency and heat pump providers. This input included actions that could be considered to minimize these impacts as well as position the state, and this important infrastructure of service providers, to return to delivering on our climate policy objectives once we are able to return to on-premise work. Members of Department of Public Service Staff (Staff), utility program administrators, and staff from NYSERDA, Long Island Power Authority (LIPA) and New York Power Authority (NYPA) participated in the Webinar and continue to assess the information received and coordinate implementation of those recommendations that move towards execution.

Based on our initial review of the input from the energy efficiency and heat pump community, we are announcing the following immediate actions, which represent the first phase of support for energy efficiency and clean energy businesses.

Information & Resources

We heard from participants a general request for assistance in navigating the federal and state programs that are or may become available to assist businesses, including the CARES Act. While many of these assistance programs are not under the purview of the Commission, the utilities, or NYSERDA, we recognize the need for easy and timely access to these critical assistance programs. To help our clean energy partners, our staff have consolidated available resources and applicable links and developed a [COVID-19 Resources Fact Sheet](#). We have also hosted a joint session with the Business Council of New York State for clean energy businesses focusing on COVID assistance programs for employers. We recognize this is an area of ongoing development and will be paying close attention to other resources

and other approaches to usefully convey this kind of information, as these become available. This information will be updated and presented on the [NYSERDA webpage](#) as a compiled set of resources.

Program Modifications

We heard from participants interested in a range of program modifications that streamline certain processes, provide greater flexibility, and assist with cashflow. These are promising ideas and should be developed with an eye to their suitability and feasibility in consideration of the specific characteristics of the different programs. Accordingly, NYSERDA and the utility program administrators will implement the following immediate actions to provide the requested flexibility:

- 1) Expedite payments to vendors/contractors for all completed work;
- 2) Identify for each program that traditionally requires post-installation site visits prior to authorizing payments, alternative acceptable means for verification of the project in order to process payments to vendors/contractors. Alternative means are expected to include phone, photo or video verification;
- 3) Implement procedures for accepting electronic signatures for project applications and other necessary paperwork;
- 4) Extension of program deadlines or modification to project milestones to recognize projects may not be able to meet these requirements due to the New York State on PAUSE Executive Order;¹
- 5) Systematically examine all Program offerings to identify project types for which interim milestones can be established so that a percentage of completion payment can be provided for those projects deemed to have minimal risk of non-completion.

Workforce & Contractor Training and Outreach

We heard from participants increased interest in a range of initiatives that take advantage of the window for training and outreach presented by the suspension of field and on-premises work. NYSERDA and the utility program administrators will identify various training and skill development areas that may be most beneficial, including options for deployment. Through NYSERDA we have resources available immediately to support workforce development through trainings and internships. During this period of PAUSE, we would like to reinforce training and contractor outreach opportunities, including advancing skills. Accordingly, NYSERDA will pursue the following actions:

- 1) Provide informational resources to the contractor community as to free or subsidized training that leverage on-line workforce training opportunities [see [on-line training](#)];
- 2) On April 1, 2020, the Statewide Heat Pump Program was launched. Continuing to develop and enhance the contractor base supporting our building electrification goals remains a priority. As such, virtual trainings targeting this sector shall be expedited for delivery and coordinated among NYSERDA and the electric utilities;
- 3) Modify NYSERDA's current On-the-Job Training (OJT) and Internship Training initiatives to extend timelines, enhance subsidies, and increase flexibility;
- 4) On a Program Administrator specific basis, ensure regular outreach and communication with vendor/contractor community to solicit input on program operations as well as describe modifications as they are made to facilitate timely and market-responsive program adjustments.

COVID-Safe Energy Efficiency Work Practices

When on-premise work is allowed to re-start, it will be important for the contractor community across the state to adhere to protective and consistent protocols to ensure the health and safety of their employees and customers. NYSERDA,

¹ [New York State on PAUSE Executive Order](#) and [subsequent Executive Orders](#) (EOs 202.6, 202.8, 202.13 and 202.14).

DPS and the utilities will develop COVID-Safe Energy Efficiency protocols, guidance and training to be ready to implement post-PAUSE.

Financing

We heard from participants a strong interest in providing reduced interest rate financing to help build back customer interest once on-premise work is allowed to resume.

To address this pressing need, NYSERDA will move forward with a temporary change to Green Jobs – Green New York (GJ-GNY) financing. Once contractors are able to resume on-premise work, NYSERDA will offer 0% Green Jobs – Green New York Program financing for 1-4 family residential, small commercial (100 employees or less) and not-for-profit applicants to finance eligible energy efficiency improvements and renewable energy systems. For up to a 12-month period, or until available funds are exhausted, 0% financing for the term of the loan will be offered for new loan applicants. Following this period, the program will return to the geographic eligible 3.49%/6.99% interest rate for residential borrowers and Prime Rate + 2% for small commercial/not-for-profit borrowers. Residential Smart Energy Loans offered in GJ-GNY during this period will include a grace period of three months before the first payment begins. Additionally, all GJ-GNY residential loans are eligible for the Contractor Advance Payment program previously announced in January 2020 which provides a 50% advance of the loan amount once the consumer signs their loan agreement, with the final 50% paid upon project completion.

Additional recommendations made by participants that DPS, NYSERDA and the utilities intend to explore but require additional evaluation prior to execution are summarized below:

- 1) Virtual Auditing Approaches should be accelerated. The goal of this exploration would be to not only provide opportunities during PAUSE, but to ideally advance energy efficiency auditing approaches in general to provide greater scale and lower costs that could lead to meaningful actions.
- 2) Structure program offerings or targeted incentives at those sectors most severely impacted by COVID-19;
- 3) Identify projects or focus areas that can quickly gear back up to deliver energy savings once the PAUSE has been lifted and develop a plan for streamlined execution.

To continue the dialogue and further develop some of the promising ideas that were surfaced by participants, DPS and NYSERDA will be convening a **Webinar** in early May on **Virtual/Remote Energy Efficiency Audits and Practices**, with a goal of launching demonstrations. A notice announcing details on the Webinar will be posted in DMM in Case 18-M-0084, In the Matter of a Comprehensive Energy Efficiency Initiative.

For your reference a summary of all input provided though the Webinar and through written comments has been concurrently filed in Case 18-M-0084.

Additional strategies and ideas are anticipated as the situation evolves and the impacts of the pandemic on clean energy work continue to emerge. We thank those who have dedicated their time to provide us with input to date and for your future involvement, as well as the Program Administrators who have expressed a willingness and a dedication to implement ideas that can meet our collective goals as efficiently as possible.

Sincerely,



John B. Rhodes
Chair, New York Public Service Commission
CEO, New York Department of Public Service



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