

**Green Jobs Green New York (GJGNY)
Advisory Council Meeting Notes**

May 14, 2014

10:00 am - 4:00pm

NYSERDA Board Room

Albany NY

Members of the Green Jobs-Green New York (GJGNY) Advisory Council met via videoconference at NYSERDA's Albany and Buffalo offices and at Housing and Community Renewal in New York City on May 14, 2014. Telephone access was made available to members who could not be present at a video conference site. Also attending the meeting were NYSERDA staff members, additional staff members from Advisory Council member organizations, and members of the public. The meeting was videotaped and posted on the [GJGNY Advisory Council page of NYSERDA's website](#).

Attendees—

Albany Office:

Tom Carey, Housing and Community Renewal; Keith Corneau, Empire State Development; Anthony Joseph, NYS Department of Labor; Kevin Rooney, Oil Heat Institute of Long Island; Paul Shatsoff, Workforce Development Institute; Jared Synder, Department of Environmental Conservation; Cara Tromans, Conservation Services Group. Members of the public: Connor Bambrick, Environmental Advocates of New York; Kathleen Langton, Affordable Housing Partnership. NYSERDA: Karen Hamilton, John Ahearn, Jeff Pitkin, Tom Barone, Kevin Carey, Pete Savio, Kathryn Fantauzzi, Mishel Filisha, Laura Rowe, Carley Murray, Kevin Hunt, Carolyn Reuss, additional NYSERDA staff.

Buffalo Office:

Clark Gocker, PUSH Buffalo.

Housing and Community Renewal NYC Office:

John Rhodes, NYSERDA; Stephan Edel, Center for Working Families; Rick Cherry, Community Environmental Center. Members of the Public: Elana Bulman, Pratt Center for Environmental Conservation; Chuck Schwartz, LI Green.

Phone:

Sue Andrews, NYSERDA; David Hepinstall, Association for Energy Affordability; Conrad Metcalfe, Building Performance Contractor's Association of NY; Barbara Guinn, Office of Temporary and Disability Services; Jay Ackley, Community Environmental Center; Gregg Collar, NYS Department of State.

The following meeting notes capture discussions, questions, and comments held at the meeting in response to the presentations given by NYSERDA staff. A copy of the presentations and any handouts provided can be found at the [GJGNY Advisory Council page of NYSERDA's website](#).

I. Welcome and Introductions (John Rhodes)

John Rhodes welcomed participants to the 25th meeting of the Green Jobs-Green New York Advisory Council, introducing himself as the president and CEO of NYSERDA in addition to being the Chair of the Green Jobs-Green New York Advisory Council. He thanked New York State Homes and Community Renewal for hosting the New York City participants while NYSERDA's New York City space is under construction.

The Green Jobs-Green New York Program has been maintaining program performance this year. Due to the issuance of monthly reports, there has not been a need for program status updates, and the meetings will instead focus on topics that would benefit from member input. NYSERDA proposes a change to the regular meeting schedule whereby the Advisory Council will meet twice a year as opposed to quarterly. NYSERDA will schedule special meetings as needed to discuss significant program changes or in response to member requests on topics that should not wait for the next meeting. To request a special meeting, members should submit an e-mail to John Rhodes at john.rhodes@nyserda.ny.gov, copying mishel.filisha@nyserda.ny.gov and karen.hamilton@nyserda.ny.gov, with the reason for the special meeting described and the time period during or by which the meeting needs to occur.

GJGNY law fills a gap for financing energy efficiency in New York State. The law was intended to provide New Yorkers who face challenges to accessing energy efficiency improvements with an opportunity to do so. The repeated message heard at the recent Home Performance Leadership Summit, from both contractors and program administrators, was concerning how big of a difference access to financing makes in enabling energy efficiency work to be done. NYSERDA will continue to examine loan qualification criteria to expand the reach of financing to New Yorkers who will benefit.

At the same time the goal of the Green Bank is to animate financial markets by offering reasonable financing products for the energy efficiency and renewable energy sectors. The Green Bank seeks to partner with, rather than compete with, the financial industry, expanding on a growing interest in energy efficiency and renewable energy.

Where it appears that private sector sources of capital are providing financing options for energy efficiency and renewables, NYSERDA will reconsider its role. In the interest of going where need is greatest, NYSERDA is examining critical gaps for households who are unable currently to obtain traditional financing. NYSERDA expects to be focusing more on low- and moderate-income households that remain underserved.

Comment: Multiple-unit dwellings require focused attention, along with mixed-income buildings and low-income housing, generally.

Comment: There is a need to make the EmPower program even more available.

Question: What other programs or initiatives is NYSERDA considering to reach this population?

NYSERDA response: NYSERDA is thinking along two different fronts: Re-examining qualifications based on metrics such as debt-to-income and FICO score and better communicating financing information to improve availability and accessibility. NYSERDA is interested in seeing what financial partners are available for cooperation.

NYSERDA response: NYSERDA is considering ways to modify current standards. The approach remains to gradually lower the bar for easier access. NYSERDA will be addressing the 30 percent of applicants who are denied financing in order to facilitate lending in a responsible way.

Comment: There is a group of people represented in the financing statistics who wanted to utilize the program and got part of the way through and stopped. What share of the potential work does that group represent? What happens with those customers?

NYSERDA response: NYSERDA will provide an update on those statistics at the next Advisory Council meeting. Community Reinvestment Funds can be used in some of those cases. NYSERDA is working with some organizations who provide this kind of financing.

Comment: In the Weatherization Program, other issues in the house prevent weatherization work from moving forward. It would be interesting to know if that is a factor in the financing denial rates as well.

NYSERDA response: In Assisted Home Performance and Home Performance that is not as prominent of an issue as it is in EmPower and Weatherization.

Comment: People get approved for financing , but the deal falls apart for various reasons. Part of the problem is the paperwork is too complicated and not on par with what else is available in the marketplace. Approval is too slow. The need for additional documents is too cumbersome. Even for customers who are middle-income it is still a huge imposition.

II. Income Requirement for EmPower Participants

Many HEAP eligible households utilize EmPower and WAP programs. After “per household” limits are reached, some of these households then tap into GJGNY financing to do additional work. NYSERDA looked into the potential for switching from 60 percent of state median income to 60 percent of area median income. The impact is largely confined to areas around New York City. The impact is minimal in New York City itself. In the surrounding counties the impact is fairly significant. However, those counties are largely dependent on oil heat which is reliant on Regional Greenhouse Gas Initiative (RGGI) money, which is in short supply. The issue requires deeper analysis.

Question: Is there any hope for oil heat?

NYSERDA response: The issue calls for fuel neutrality.

III. Small Commercial Energy Efficiency Update

Presentation materials are provided on the [GJGNY Advisory Council page of NYSERDA's website](#).

A summary of changes to the Small Commercial Energy Efficiency budget can be viewed on the [Small Commercial Energy Efficiency Program Update document](#) available on the GJGNY Advisory Council page of NYSERDA's website.

Between January 2011 and April 2014, the Small Commercial Energy Efficiency Program has received 2271 GJGNY assessment applications. From those applications, 2031 assessments have been completed.

Question: Does this program interface with FlexTech?

NYSERDA response: FlexTech has its own funding , though both come through the consolidated funding application. Those customers who are an appropriate match for FlexTech are referred to that program.

Question: If a business applies for FlexTech and a FlexTech reviewers see that the project is more appropriate for NYSERDA's Small Commercial Program, is there a direct referral provided?

NYSERDA response: The small commercial sector is non-homogenous. Outreach takes additional effort. These are small projects and our partners are aware of the differences. There is a clear dividing line between the two and significant differentiation in matching customer needs. There is close relationship between small commercial and FlexTech that works in both directions.

Question: In cases where it might be appropriate, is there a referral to the utility programs?

NYSERDA response: In cases where there are not other options available, the contractor will make the customer aware of programs through utilities, but the first suggestion is a NYSERDA program. Utility programs are typically focused on electricity. Customers have choices and objective third parties carry out assessments. There is no additional incentive provided by NYSERDA to make referrals, the contractors performing the assessments do not carry out the work.

Question: Are there statistics that show how much work is being done with assessments and outreach in the nonprofit sector? Providing this by geographic region would be helpful.

NYSERDA response: NYSERDA can follow up with the number of assessments provided to the nonprofit sector, by geographic region.

In terms of financing, there are two loan products. For the Participation Loan, NYSERDA partners with participating lenders. NYSERDA provides 50 percent of the loan principle up to \$50,000 at zero percent interest and the lender provides the remainder at whatever interest rate the customer would have otherwise received. The On-Bill Recovery Loan is a NYSERDA Loan that is originated by a participating lender. This loan can be up to \$50,000 at 2.5 percent interest currently, but soon to be 3.0 percent interest that the customer can pay on their utility bill.

Since June 2011, NYSERDA has approved 27 applications for Participation Loans. The potential value of NYSERDA's share of these loans, if closed, is \$535,236 with a total loan value of slightly over \$1M. NYSERDA has approved 16 applications for On-Bill Recovery Loans valued at \$512,169. Applications are reviewed for both loan products simultaneously.

A total of 10 loans have been closed. Of those, eight are Participation Loans and two are On-Bill Recovery Loans. The value of NYSERDA's share of these loans is \$264,054 with a total loan value of \$503,568.

There are currently 11 participating lenders, with statewide coverage. A [list of participating lenders](#) is available online.

The Small Commercial Energy Efficiency Program recently solicited for contractors to provide small commercial energy assessments and implementation assistance. These contractors provide assessments for small commercial customers with up to 10 employees. Selected contractors include: GDS Associates, L&S Energy Services, Daylight Saving Company, TRC Energy Services.

Through program experience, NYSERDA has found that small business and non-profits need more assistance navigating the system. Targeted outreach plans are being developed. Each contractor will hold an implementation and planning meeting with the customer in which energy findings will be discussed along with incentive and financing options, along with assistance applying for financing.

Question: Looking at it from workforce side, do you anticipate hiring needs on part of the contractors?

NYSERDA response: No. Staffing plans were already developed at the time of the proposal.

Question: Can we see a scope of work for the two western New York contractors in order to understand who should be delivering services?

NYSERDA response: The contractors will continue to help customers with the consolidated funding application and provide energy assessments for the customers. Additional services include the planning meeting with the customer, technical assistance, and financing application assistance.

Comment: In Western New York, there was little attention paid by assessors to building envelope measures. If that departs from NYSERDA's understanding of a comprehensive assessment, NYSERDA should be aware of that.

NYSERDA response: The walkthrough includes building envelope evaluation, which tends to be more an issue in residential rather than small commercial buildings. Please bring any shortcomings in assessment practice to NYSERDA's attention.

Question: Are mixed use residential/commercial buildings eligible?

NYSERDA response: Yes. Provided that a small business or nonprofit is occupying the commercial space. The residential portion of the building is handled separately by the residential program. Different issues will be focused on during small commercial versus residential building assessments. A teaming of programs might be beneficial.

Question: Will you be tracking the new implementation assistance?

NYSERDA response: Yes. For customers who are provided implementation assistance, we will track measure adoption rate through follow-up surveys.

Question: Our staff visits 35-40 businesses a month to look at job growth and workforce needs. Is there a 1-2 page document for marketing to these businesses that we visit? *NYSERDA response:* Fact sheets and case studies are available. NYSERDA can send these around.

Expansions to PON 2293: Green Job Green New York Small Business / Not-for-Profit Energy Efficiency Financing Program include:

- Expanding lender eligibility to allow local development corporations to partner with the Program.
- Increasing OBR interest rate from 2.5% to 3.0% to reflect market conditions.
- Modifying loan fee structure for OBR lenders by providing an origination fee of 1.5% of the loan amount and providing a closing fee of \$250.
- Adding solar photovoltaic (PV) as measure eligible for small commercial financing.

In terms of lender outreach, the Small Commercial Energy Efficiency Program will be moving forward with market research with participating and non-participating lenders and will be holding three regional Lender Round Tables to be held across the state.

IV. Financing Update: Including Technologies Eligible for Net Metering

Being in February 2014, NYSERDA has been able to expand financing to PV projects supported by NYSERDA's PV Program. Since the February launch, there have been a total of 269 projects that include PV and a total of 209 pre-approved or approved applications. Those are included as part of the portfolio that includes over \$50M in closed loans.

NYSERDA is working toward agreement with PSEG Long Island to make financing available for their PV projects. NYSERDA is proceeding with plans to take advantage of a short-term financing product with the Environmental Facilities Corporation (EFC) that will allow NYSERDA to place \$25M in additional loans that have been made since the bond sale last summer. The potential is that EFC will eliminate the need for NYSERDA to issue its own bonds and therefore there will be a lower cost associated with the bond issuance.

Question: What is the geographic distribution of solar-related loans?

NYSERDA response: In general, the mid-Hudson region has high uptake. There is good statewide penetration. New York City uptake has recently grown, with an increase in Staten Island and Queens.

V. Public Input

Comment: This was a well-structured, issue-focused meeting.

VI. Closing Remarks and Next Steps

John Rhodes thanked those in attendance at the meeting for their observations and discussion. The next regular meeting of the GJGNY Advisory Council will be held in the fall, with a special meeting being called prior to that time, if necessary.