



119 Washington Avenue, Suite 103
Albany, NY 12210
518.432.1405
info@aceny.org | www.aceny.org

April 8, 2020

VIA ELECTRONIC DELIVERY

Honorable John Rhodes
Chair
New York State Public Service Commission
Three Empire State Plaza
Albany, New York 12223-1350

Re: COVID-19 Effects on Utility Energy Efficiency Programs

Dear Chair Rhodes:

The Alliance for Clean Energy New York, on behalf of our member companies, respectfully submits this letter to first thank you and your staff for your efforts in helping energy efficiency companies weather these extraordinary times, and second, to request that you consider offering utilities additional flexibility in their energy efficiency programs.

Recent initiatives, including the recent accelerated efficiency order, new heat pump programs, and natural gas demand reduction programs, have made New York State a leader in energy efficiency. These utility-led programs could drive significant job and economic growth statewide as we step out of our current PAUSE. Efficiency programs have the added benefit of helping struggling New Yorkers manage energy costs for years to come.

As we have previously shared with you and the Department of Public Service, the energy efficiency industry in the State is in an alarming position. We are at risk of losing a skilled and trained workforce as work is stalled, and job losses and furloughs accelerate. Given the unknown timeframe that the energy efficiency industry may be on PAUSE, and the slow and regional nature of any start up afterward, we are asking that utilities be given the flexibility to adjust their energy efficiency programs to assist the industry in weathering this storm. .

Specifically, we are asking you to provide to utilities either guidance on or the ability to:

- Increase program and financing incentive levels during the PAUSE, allowing more New Yorkers to affordably participate in the clean energy economy and enabling companies to use employees for marketing and contract finalization during the work stoppage period and thus provide guaranteed income during the restart;

- Facilitate the increased use of virtual audits and inspections;
- Enable utilities to streamline their program processes as necessary to ensure program progress can move forward safely and expeditiously;
- Advance money to contractors prior to the initiation of work and pay for work started but not completed;
- Direct utilities to continue investment in marketing and outreach, and potentially free up additional funding for enhanced program outreach to increase the number of projects in the pipeline;
- Modify 2020 program savings targets and the timeline for achievements;
- Adjust Earning Adjustment Mechanisms (EAMs) outside of the rate case process for any utilities that do not have EAMs aligned with the recent EE and heat pump Order;
- Allow utilities to adjust their 5-year budgets to front load spending once the PAUSE ends, providing energy efficiency contractors with the resources to be responsive and ramp up quickly

ACE NY believes that together we can protect the public and economic health of our State's energy efficiency companies and their work force. We ask that the Commission explicitly provide utilities flexibility in their efficiency programs so we can all rise and face the recovery as one New York.

Sincerely,

/s/

Deb Peck Kelleher

Director, Policy Analysis and Operations
Alliance for Clean Energy New York