





May 15, 2024

Honorable Michelle L. Phillips Secretary to the Commission New York State Public Service Commission Empire State Plaza Agency Building 3 Albany, NY 12223-1350

RE:

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

Dear Secretary Phillips:

On behalf of the New York State Association of Counties (NYSAC), the New York Conference of Mayors (NYCOM), and the Association of Towns (AOT), thank you for the opportunity to comment on the Non-Low- to Moderate-Income Energy Efficiency/Building Electrification (EE/BE) Portfolio Proposal for the Energy Research and Development Authority (NYSERDA). The public comment period extension provided our associations and members with the time we needed to more thoroughly examine the Local Government Engagement section of the proposal, which will help determine how counties and municipalities will contribute to New York State's decarbonization and electrification efforts in the coming years.

Local governments are integral to the statewide effort to combat and adapt to a changing climate. Clean energy actions undertaken by counties and municipalities, such as electrifying our vehicle fleets, retrofitting buildings for energy efficiency, and promoting community solar projects, not only meaningfully contribute to the goals established by the Climate Leadership and Community Protection Act ("Climate Act") but also showcase the practical benefits and feasibility of transitioning to a greener economy. Our local leaders impact public sentiment.

Since its inception in 2016, NYSERDA's Clean Energy Communities (CEC) program has been instrumental in supporting county and municipal clean energy initiatives by providing matchfree grants and specialized technical assistance. Over 900 local governments participate in the program, and nearly 600 have become Designated Clean Energy Communities by completing at least four of the program's High Impact Actions. By participating in CEC, communities earn points and gain access to grant funding, which creates a virtuous cycle of climate action. To date, CEC has helped local governments across the state deploy nearly 4,500 activities to conserve energy and reduce costs.

The following comments outline our concerns with the proposal to integrate the CEC actions into the Department of Environmental Conservation (DEC)'s Climate Smart Communities (CSC) program and launch new Clean Energy Municipal Leadership Cohorts. While the intent behind the cohort is to facilitate knowledge sharing and enhance local energy leadership, the practical burden it would impose on already overextended municipal staff could potentially hinder rather than help NYSERDA's mission to implement effective decarbonization projects. Therefore, we

recommend integrating these objectives into the existing framework of the CEC program, using the coordinators who are already well-equipped to manage the dissemination of best practices and success stories.

Key Points of Concern:

- 1. **CEC's Distinction from CSC:** The CEC program has unique advantages over other local government engagement programs that warrant its continuation beyond 2025. Distinct from DEC's CSC program, which has a broader focus on sustainability and requires a 50% local match for funding, CEC is specifically designed to advance energy efficiency and clean energy projects. Since its inception in 2016, CEC has undergone continuous improvements with input from our associations and members. Now in its third round, CEC is a longstanding, trusted program that effectively supports the execution of clean energy projects for large and small communities alike. Integrating CEC actions into the CSC program without also replicating its match-free grants and specialized technical assistance coordinators would critically undermine the ability of municipalities to meet state and local energy goals.
- 2. **Match-Free Grants:** A hallmark of the CEC program is its match-free grants, which remove significant financial barriers for local governments aiming to implement clean energy initiatives. This unique feature enhances the accessibility and feasibility of projects, allowing municipalities to allocate resources more effectively and pursue a broader range of initiatives without the constraints of securing additional funding. Also, the absence of a financial match helps mitigate political opposition and delays, as governing bodies are not required to allocate specific budgetary funds to support the execution of projects. Match-free grants also streamline the decision-making process, increasing the likelihood that vital clean energy projects are undertaken. If the CEC program were to end in 2025, local progress and innovation would be significantly delayed or lost. For these reasons, we urge PSC not to eliminate the match-free grants or reduce state funding for local government engagement.
- 3. **Technical Expertise and Support:** The Clean Energy Communities program benefits from dedicated regional coordinators who possess the specific expertise required to guide clean energy projects from their conceptual stages to successful completion. By acting as a knowledgeable partner, the CEC coordinators help local governments avoid common pitfalls and bureaucratic delays that might otherwise stall or derail important energy initiatives. The role of CEC coordinators also extends beyond technical advice, as they have spent years actively engaging with local governments and their communities to build trust and rapport. These relationships and dedicated support accelerate project timelines and enhance the quality of outcomes. While CSC now has its own coordinators, CEC coordinators provide hands-on guidance and support for energy-focused projects that are beyond the scope of the CSC program. For these reasons, it is important that CEC coordinators continue to be funded beyond 2025.
- 4. **Limited Capacity to Participate in Cohorts:** We support the Clean Energy Municipal Leadership Cohorts' intent to share best practices and lessons learned, foster competition and local leadership, and provide recognition for results; however, county, town, city, and village staff that are already stretched thin managing ongoing projects and daily operations may find it challenging to meet on a routine basis to share their decarbonization journeys. Placing the burden of participation and presentation on municipalities could detract from their primary focus of implementing actual decarbonization projects.

5. **Program Stability and Municipal Learning Curves:** Maintaining a stable and consistent framework like the CEC, with its established incentives and support network, is crucial for enabling municipalities to plan, initiate, and sustain their energy projects. Frequent or considerable changes to NYSERDA's program offerings pose significant challenges for local governments because time- and resource-constrained municipal staff do not have the capacity to rapidly learn and adapt to new frameworks. Participating in a program like CEC typically begins with obtaining a resolution from the local governing body, a process that can extend over several months. Municipal staff can then spend considerable time nudging their elected and appointed leadership towards adopting and supporting new initiatives. This internal advocacy is essential to gaining buy-in from decision-makers who may not initially be inclined to prioritize or support clean energy programs. The need to continually adjust to new program structures and requirements not only strains local government resources but also extends the timeline for current and future energy initiatives. Replacing CEC with Clean Energy Municipal Leadership Cohorts would require county and municipal staff to adjust to a new framework yet again, stalling progress and working against the proposal's objectives.

Proposed Solutions:

- 1. **Continue and Enhance CEC:** Instead of merging CEC into CSC, we propose launching a fourth round of CEC to build upon its proven success and encourage even more ambitious decarbonization projects. Recognizing the varying levels of progress among local governments, Round 4.0 could introduce an advanced tier system to provide new incentives to local governments that are further along in their sustainability journeys. For instance, while purchasing a single electric vehicle (EV) may not represent a significant challenge for some communities, it remains a substantial effort for others. A tiered approach would ensure the incentives are appropriately scaled, encouraging municipalities of all sizes to advance further in their clean energy efforts. Additionally, CEC Round 4.0 could include new efforts to curate and disseminate best practices and educational content. CEC coordinators could take on the responsibility of gathering insights, coordinating knowledge exchange forums, and distributing findings in a manner that does not impose additional demands on county and municipal staff. This approach would leverage the established infrastructure and relationships of the CEC program to enhance its effectiveness without necessitating the creation of new structures that may duplicate efforts and complicate participation.
- 2. **Enhance Visibility of Clean Energy Success:** Public demonstration projects play a critical role in increasing community buy-in and demonstrating the tangible benefits of clean energy initiatives. To this end, CEC Round 4.0 should include additional ways to showcase local government progress. This could include NYSERDA issuing regular press releases and engaging with local media to keep the community informed and involved with ongoing and upcoming projects; installing digital or physical displays on public buildings to showcase energy savings and environmental benefits in real-time; leveraging social media platforms to share success stories, progress updates, and educational content on clean energy; and developing online dashboards that provide real-time data on energy savings and environmental impacts, enabling residents to see the direct benefits of their community's initiatives.
- 3. **Support Energy Code Enforcement:** Recognizing that energy codes are often underprioritized and underenforced, CEC Round 4.0 can support decarbonization by enhancing local capacity to manage and enforce these codes effectively. The CEC coordinators could provide additional assistance to municipalities with energy code

compliance, offering specialized training sessions, resources, and on-the-ground support to ensure that building projects adhere to the highest standards of energy efficiency. Round 4.0 might also include incentives and support for counties that opt to assist cities, towns, and villages with code enforcement.

- 4. Enhance Local Understanding of Climate Policies: The role of CEC coordinators should be expanded to include more in-depth education about ongoing changes and developments in environmental laws and regulations, such as those stemming from the Climate Act, All-Electric Buildings Act, and Renewable Action Through Project Interconnection and Deployment (RAPID) Act. By providing clear, accurate information and addressing public concerns proactively, NYSERDA can enhance community engagement and foster a more informed and supportive local environment for implementing important energy initiatives. NYSERDA should also help local governments develop effective communication strategies that clearly explain the implications and benefits of their clean energy actions.
- 5. **Centralize Resources and Assistance:** New York State has many programs that support local government efforts to mitigate and adapt to climate change. However, the dispersed nature of these programs, which are administered by several different agencies and departments, creates confusion and inefficiencies that can hinder rather than help the municipalities they are designed to support. While our associations oppose consolidating the CEC and CSC programs without ensuring DEC can provide comparable clean energy assistance and match-free grants, we would support efforts to streamline similar initiatives into an accessible framework that maintains or enhances existing levels of financial and technical support. This would not only reduce the administrative burden on local governments but also expedite the implementation of clean energy projects and ensure that efforts are not duplicated. As a first step, PSC should fund the creation of a single webpage or portal where localities can easily find tailored guidance, funding opportunities, regulatory and legislative news, and expert assistance specific to their needs.
- 6. **Proactively Engage Local Governments in Rulemaking:** While we value the opportunity to submit comments on the EE/BE proposal, PSC rulemaking processes are complex and not readily accessible to our county and municipal members. Prior to the original comment period deadline, many communities were unaware of this proposal, underscoring the need for more effective communication and earlier engagement. Local governments should be strategically involved from the early stages of the rulemaking processes to ensure their needs and insights are incorporated effectively. This involvement should go beyond traditional comment periods and include briefings, roundtable discussions, and other feedback opportunities designed to gather substantive input from municipal leaders and their staff. Additionally, PSC and NYSERDA should facilitate regular updates to municipalities throughout important rulemaking processes, using clear and simplified language to convey changes and how they may impact local governance and planning.

In conclusion, we strongly oppose defunding the CEC program and creating new Municipal Clean Energy Leadership Cohorts. Ending the CEC program, along with its match-free grants and coordinators, would eliminate critical financial and technical support for local governments and diminish their ability to contribute to New York State's decarbonization goals. Instead, we support enhancing and continuing the CEC program through a new round that builds upon its established successes. We appreciate your consideration of these comments and eagerly

anticipate continued collaboration with the Public Service Commission to support local climate action.

Sincerely,

Stephen J. Acquario Executive Director

NYS Association of Counties

Barbara Yangpo

Stephen J. Arguan

Barbara Van Epps Executive Director

New York Conference of Mayors

Chtin Cofe.

Christopher Koetzle Executive Director

Association of Towns