



Public Service Commission

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PSC Receives Update on Climate Act's Investments & Successes

Commission Reviews Progress of Clean Energy Programs

Climate Act Creates New Renewable Energy Projects While Substantially Reducing Greenhouse Gas Emissions

ALBANY — The New York State Public Service Commission (Commission) today received an update regarding the Commission's actions and activities associated with the overall compliance with the requirements of the Climate Leadership and Community Protection Act or Climate Act. In addition, the Commission reviewed progress on achieving renewable energy program targets and some of the costs and benefits to ratepayers of Climate Act investments over the prior calendar year, including energy savings, energy generation, and greenhouse emissions reductions. The report containing this information highlights the investments the Commission has authorized to steer toward a clean energy future and stable climate.

“New York State's nation-leading climate agenda is the most aggressive climate and clean energy initiative in the nation,” **said Commission Chair Rory M. Christian.** “New York State’s Department of Public Service (DPS) is committed to the transparent implementation of the Climate Act. This report tells New Yorkers about what the Commission and Department are doing to reduce emissions and deliver the benefits of energy that is reliable, affordable, and clean. We continue to look for ways to make it easier to track program outcomes.”

New York State has invested a great deal in its initial efforts to realize the goals of the Climate Act with respect to clean energy growth and emissions reductions. In 2022, the six major investor-owned utilities and the Long Island Power Authority invested more than \$1.1 billion on Climate Act-related programs. In that time, the New York State Energy Research and Development Authority or NYSERDA collected more than \$645 million from load-serving entities for clean energy programs operated under the Clean Energy Standard.

The New York State Legislature recognized that ambitious climate and energy goals in the form of greenhouse gas emissions reductions are necessary to combat the adverse effects of climate change. With the Climate Act, the Legislature gave the Commission and DPS new directives, including the requirement to establish a renewable energy program to attain an electric grid served by at least 70 percent renewable energy resources by 2030 and a zero-emissions grid by 2040.

The Climate Act’s directives require the Commission to build upon its existing efforts to combat climate change through the deployment of clean energy resources and energy storage technologies, energy efficiency and building electrification measures, and electric vehicle charging infrastructure. In

recognition of the scale of change and significant work that will be necessary to meet the Climate Act's aggressive targets, the Commission directed DPS staff to assess the progress made in line with its directives under the Climate Act and to provide guidance, as appropriate, on how to timely meet the requirements of the Climate Act.

As a result of the clean-energy investments that have been made, between 2020 and 2022, more than 95.9 million megawatt hours of energy has been either saved or is now being generated by clean, renewable energy sources in New York State — enough to power millions of average-sized homes. Importantly, the new clean-energy resources that have been created do not include the substantial hydroelectric resources that already exist. The development of clean energy resources coupled with reducing the actual demand for electricity is helping to reduce greenhouse gas emissions and energy savings. Between 2020 and 2022, overall greenhouse gas emissions were reduced by nearly 50 million metric tons, with the lion's share of the decrease coming from changes in electricity generation. For the average residential electric customer, the rate impacts for these critically important investments, not accounting for the overall societal benefits, range from 3.7 percent to 9.8 percent, depending on the utility. The rate impacts for non-residential customer varies depending on the utility and the amount of electricity consumed.

The investments described in the report constitute the foundation of the clean energy economy called for by the Climate Act. They span the power, buildings, and transportation sectors, and will help to make way for transformative changes to the State's economy. These investments have already driven substantial infrastructure deployments and reductions of greenhouse gases and local pollutants.

- **Renewable Energy and Transmission:** New York currently has contracted with more than 120 renewable energy and transmission projects in active development or construction, including large-scale solar, land-based and offshore wind. If all of these projects are completed, 66 percent of the State's electricity will come from renewable sources, on the way to the goal of 70 percent renewable energy by 2030. In 2021, construction was underway on 18 large-scale renewable generation projects, with a total capacity of 856 megawatts (MW). Five of these, with a total capacity of 250 MW, entered operation the same year. Three more projects, with a total capacity of 42 MW began operating in 2022. Also in 2022, construction started on another five large-scale renewable generation projects with a total capacity of 281 MW. The December 2022 Statewide Greenhouse Gas Emissions Report showed that emissions associated with the electricity sector has decreased by 46 percent from 1990 through 2019.
- **Renewable Energy and Energy Storage:** Since early 2020, the Commission has approved significant investments in renewable energy and energy storage. The Commission extended the NY-Sun program through 2025 and authorized an incremental program budget of \$573 million to achieve New York's 10-gigawatt (GW) target. The Commission adopted the Climate Act's clean energy deployment targets, including the requirement that at least 70 percent of the statewide load will be served by renewable energy resources by 2030, the procurement of 9 GW of offshore wind by 2035, and the 100 percent zero-emission electric grid by 2040 requirement. In 2022, the Commission authorized an additional \$1.474 billion for the NY-Sun program and expanded the installation target from six to 10 GW of distributed solar generation projects.
- **Clean Transportation:** Between 2020 and 2023, New York has seen numerous successes in the development of clean transportation systems, including the Commission's order in 2020 approving the Electric Vehicle (EV) Make-Ready Program with a \$701 million overall budget of which \$206 million directed to disadvantaged communities. The Commission's EV Make-

Ready order included the New York Clean Transportation Prize program, funded at \$85 million, administered by NYSERDA in partnership with DPS. The order also directed the creation of three programs aimed at advancing the medium- and heavy-duty vehicle industry to be implemented by the State's utilities.

- **Disadvantaged Communities:** DPS is working with Department of Environmental Conservation, NYSERDA, other agencies, and the utilities to develop a consistent approach to tracking and reporting investments in and benefits to Disadvantaged Communities (DACs). This initial report will track investments that have been made since the enactment of the Climate Act, beginning January 1, 2020, and thereafter will continue to track annual progress towards meeting the requirement of at least 35 percent, with a goal of 40 percent, of clean energy and energy efficiency investments benefitting DACs. New York State expects to produce its first report on investments and benefits in DACs pursuant to the CLCPA in 2024. In addition, staff is developing an internal and continuously updated DPS Disadvantaged Communities Compliance Plan.
- **Energy Efficiency and Building Electrification:** Energy efficiency programs have changed substantially since the establishment of the Systems Benefit Charge in 1996 and still further since the Commission initiated the New York Energy Efficiency Portfolio Standard proceeding in 2008. Programs have become more ambitious and detailed, and their scope and structure have evolved. In a September 15, 2022 Order, the Commission initiated the required interim review of the Clean Energy Fund (CEF) and New Efficiency: New York (NE:NY) portfolios, with an initial focus on instituting a renewed framework under which energy efficiency and building electrification programs are offered and establishing new budgets and targets for a period beyond 2025. In December 2022, in compliance with the Order Initiating the NE:NY interim review and CEF Review, staff filed a comprehensive energy efficiency and building electrification report, which summarized the portfolio performance through the second quarter of 2022 and solicited feedback from stakeholders on specific questions that were presented within the report. The NE:NY interim review and CEF review process is currently underway.

New York State's Nation-Leading Climate Plan

New York State's nation-leading climate agenda calls for an orderly and just transition that creates family-sustaining jobs, continues to foster a green economy across all sectors and ensures that at least 35 percent, with a goal of 40 percent, of the benefits of clean energy investments are directed to disadvantaged communities. Guided by some of the nation's most aggressive climate and clean energy initiatives, New York is on a path to achieving a zero-emission electricity sector by 2040, including 70 percent renewable energy generation by 2030, and economywide carbon neutrality by mid-century. A cornerstone of this transition is New York's unprecedented clean energy investments, including more than \$35 billion in 120 large-scale renewable and transmission projects across the state, \$6.8 billion to reduce building emissions, \$3.3 billion to scale up solar, more than \$1 billion for clean transportation initiatives, and over \$2 billion in NY Green Bank commitments. These and other investments are supporting more than 165,000 jobs in New York's clean energy sector in 2021 and over 3,000 percent growth in the distributed solar sector since 2011. To reduce greenhouse gas emissions and improve air quality, New York also adopted zero-emission vehicle regulations, including requiring all new passenger cars and trucks sold in the State be zero emission by 2035. Partnerships are continuing to advance New York's climate action with nearly 400 registered and 100 certified Climate Smart Communities, nearly 500 Clean Energy Communities, and the State's largest community air monitoring initiative in 10 disadvantaged communities across the state to help target air pollution and combat climate change.

Today's decision may be obtained by going to the Commission Documents section of the Commission's Web site at www.dps.ny.gov and entering Case Number 22-M-0149 in the input box labeled "Search for Case/Matter Number". Many libraries offer free Internet access. Commission documents may also be obtained from the Commission's Files Office, 14th floor, Three Empire State Plaza, Albany, NY 12223 (518-474-2500). If you have difficulty understanding English, please call us at 1-800-342-3377 for free language assistance services regarding this press release.