

# Stakeholder Advisory Group Meeting

DRAFT 2022 Regional Greenhouse Gas Initiative  
Operating Plan Amendment (revised)



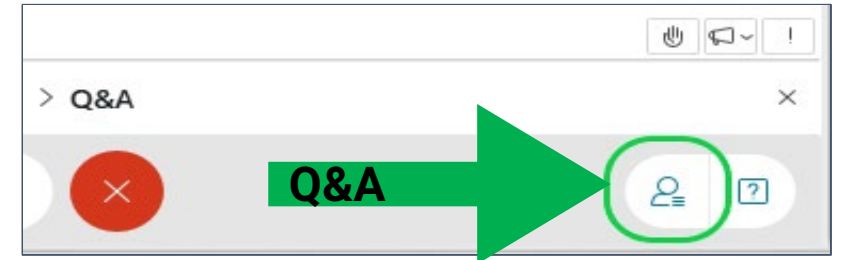
**NYSERDA**

**May 13, 2022**

# Meeting Procedures

## Before beginning, a few reminders:

- > This meeting is being recorded
- > For questions or comments, please use the Q&A function
- > The presentation will be made available following the meeting
- > If technical issues arise, please contact Sal Graven at [Sal.Graven@nyserda.ny.gov](mailto:Sal.Graven@nyserda.ny.gov)



# Opening Remarks

# Agenda

- > Funding Assumptions & Budgets
- > Proposed Programs
- > Progress on Disadvantaged Communities Goal
- > Discussion
- > Next Steps

# Funding Assumptions & Budget Overview

# Funding Assumptions

- > The NYS Enacted Budget for FY22-23 did not direct NYSERDA to transfer \$23M/yr. to support Environmental Tax Credits
- > These funds can be reprogrammed within the RGGI portfolio, and NYSERDA is proposing:
  - \$15M/yr. to Electric Vehicles/ChargeNY
  - \$8M/yr. to EmPower Plus
- > Given the increase in allowance prices from recent auctions, this revision also proposes to employ the expansion plan proposal for these funds, as approved in the plan in January.
- > The funding for FY2021-2022 plan is based on actual auction outcomes

# Proposed

***Estimates of proceeds for FY 22-25 for planning purposes***

	<b>FY 21-22 Budget (Revised)</b>	<b>FY 22-23 Budget</b>	<b>FY 23-24 Forecast</b>	<b>FY 24-25 Forecast</b>
<b>Number of Allowances</b>	22,706,145	20,924,243	20,043,750	19,163,257
<b>Allowance Price</b>	\$11.04	\$8.00	\$8.00	\$8.00
<b>RGGI Auction Proceeds</b>	\$250,634,361	\$167,393,942	\$160,349,998	\$153,306,054
<b>Interest Earnings</b>	\$56,000	\$79,000	\$82,000	\$76,000
<b>Total Revenues</b>	\$250,690,361	\$167,472,942	\$160,431,998	\$153,382,054

# Overview of Proposed Programs



# New York RGGI Investment Strategies

New York State invests RGGI proceeds to support comprehensive strategies that best advance the State's **CO<sub>2</sub>** emission reduction goals through investments in energy efficiency, renewable energy, and carbon abatement technologies, pursuant to 21 NYCRR Part 507.

The RGGI portfolio is designed to achieve greenhouse gas emission reductions by:

- Deploying commercially available energy efficiency and renewable energy technologies
- Building the State's capacity for long-term carbon reduction
- Empowering New York communities to reduce carbon emissions and transition to cleaner energy
- Stimulating entrepreneurship and growth of clean energy and carbon abatement companies in New York
- Creating innovative financing to increase adoption of clean energy and carbon abatement in the State

# Expansion of Planned Programs

NYC Retail Storage – new funding of \$20M in FY23-24

- > Targeting approximately 70 to 100 MW of storage in New York City
  - Projects up to 5 MW that will participate under the VDER tariff
- > Project economics show there is still demand from previous incentive blocks
- > Support is still needed to bridge gap between current system costs and a self-sustaining market

# Expansion of Planned Programs

Equity and Climate Transformation Research – adding \$600K to total \$2.6M through FY24-25

- > New funding to support Climate Action Council Climate Justice Working Group
- > Establish a research framework to study the social dimensions of an equitable and inclusive energy transition in a manner that centers the lived experiences of underserved and overburdened communities and prioritizes beneficial outcomes for disadvantaged communities
- > Support scientifically rigorous inquiry that also advances transformative, inclusive solutions to climate action challenges in New York State and informs strategies for effective citizen engagement and outreach

# Re-Program Proposal

Electric Vehicle/ChargeNY – adding \$45M to total \$96.3M through FY24-25

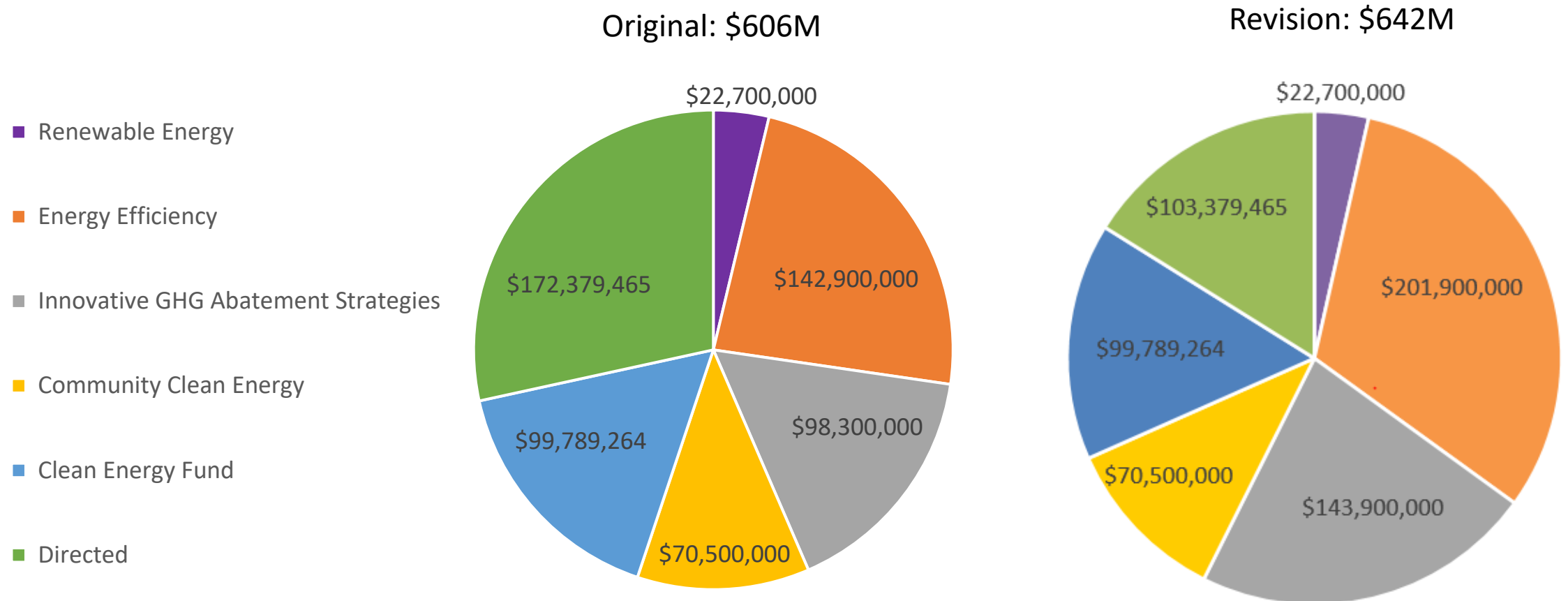
- > Continue providing rebates for Plug-in Electric Vehicles (PEVs)
- > Support installation of PEV charging infrastructure, focusing on regions with higher PEV adoption as well as workplaces, multi-family buildings, and targeted public locations
- > Supporting additional mobility needs for disadvantaged communities

# Re-Program Proposal

EmPower Plus – adding \$39M to total \$48M through FY24-25

- > Support LMI customers of municipal utilities which cannot be funded through the Clean Energy Fund to access incentives through EmPower or Assisted Home Performance with ENERGY STAR
- > Providing comprehensive energy efficiency services for income-qualified residents in one-to-four family homes
- > Funding high-efficiency electrification upgrades to qualifying customers currently using electric resistance heating or delivered fuels

# Program Investments for FY 22-25



# Progress to Disadvantaged Communities Goal

# Disadvantaged Communities Approach

- > The 2022 Operating Plan portfolio builds on the 2021 portfolio, with an increasing focus on disadvantaged communities
- > NYSERDA's CO<sub>2</sub> Allowance Auction Program regulations reflect the provision of the Climate Leadership and Community Protection Act that disadvantaged communities receive no less than 35% of overall benefits of spending on clean energy and energy efficiency programs, with a goal of 40%
- > NYSERDA estimates that **43% of post-2019 commitments** are expected to provide benefits to Disadvantaged Communities, an increase from the estimate of 34% from last year's portfolio



# Discussion

# Next Steps

- > Submit written comments to [rggiprograms@nyserda.ny.gov](mailto:rggiprograms@nyserda.ny.gov) by close of business on **Friday May 27, 2022**
- > The revised Operating Plan Amendment will be provided to NYSERDA's Board of Directors for consideration at its next meeting on June 28, 2022