

Ms. Alicia Barton
President and CEO
NYSERDA
17 Columbus Circle
Albany, N.Y 12203

June 23, 2020

Re: Green Jobs - Green NY 0% Financing Program

Dear Ms. Barton:

The undersigned Clean Heating and Cooling campaigns as well as those related collaborating organizations are enormously appreciative of the swift action that NYSERDA undertook to hold listening sessions and subsequently offer 0% financing to spur economic recovery in the renewable energy sector during COVID. We are writing to share the inspiring success and our hope that NYSERDA might continue this very productive financing opportunity. Due to the timing issues detailed below, we believe that we just scratched the surface with this offer and there is much more potential to be realized in promoting energy efficiency and renewable heating and more fully employing the clean energy workforce. We request that NYSERDA consider providing additional dedicated funding to support 0% financing to the renewable heating sector for a brief period of months to continue your support for our programs efforts to animate the market. We also appreciate that establishing an extended time period for submissions until Monday, June 15, 6:00 p.m. permitted another approximately \$10M of applications to be received. NYSERDA has received many informal communications to expand and extend this program. As primary facilitators for clean energy public education programs and community engagement in NYS, we wish to take this opportunity to memorialize our support for the 0% financing program.

HOMEOWNER ENGAGEMENT

The recent 0% financing offered through the Green Jobs-Green New York program generated a level of enthusiasm and action from program participants not seen to date.

“Our oil boiler is on its last legs and for several years we’ve dreamed of putting in a geothermal system, so we can get to net zero in our home but it was beyond our means” said Todd Rose of Ithaca NY. “The 0% financing makes this possible for us to make this investment in our home and our daughter’s future.”

Chris Miller from Lansing said, "I enrolled with HeatSmart Tompkins last year and got three proposals in January. With the downturn in the stock market and the economic uncertainty due to Covid-19, I was hesitant to take the next step. The 0% financing gave me the push I needed to move forward with converting our heating system from oil to heat pumps. With two daughters in college, the 0% loan really makes a difference for our family."

Maureen Curtin from Syracuse, NY said: "My family has been following HeatSmart CNY since the first event in 2018. We made the decision to install cold climate air source heat pumps in early 2020. When COVID hit, we thought it was no longer possible as we are down to one salary now. The 0% financing makes all the difference. We feel really fortunate we were positioned to act quickly to take advantage of the financing offer. It's debt, but it is debt that will not compound. Usually these are only breaks that people with money or large corporations can afford; this offer is a real reversal of the way things work financially in this country and greatly appreciated. It also feels more important to take this on now, to help support the heat pump industry and keep this specialized workforce employed."

Evan Lowenstein of Rochester says about the program, "We are fortunate to be a middle-upper income family - but even with this good fortune and significant state and federal incentives for a geothermal system, the system's expense overall was a heavy lift financially and gave us more than one pause. The 0% NYSERDA program for a portion of our project will definitely make a difference and extending this program to more New Yorkers can significantly help the state along the path to the much-needed critical mass of clean HVAC conversions."

CONTRACTOR ENGAGEMENT

Not only has the public response to the 0% interest offer been heartening, our contractors have also been encouraged by the response. They have been lining up jobs for the summer and have re-hired some employees that had been furloughed as a result of the COVID-19 Pause.

Jon Harrod from Snug Planet stated that the 0% Smart Energy loan is one of the most popular NYSERDA programs we've seen in our 14 years as a NYSERDA partner. It helped jump-start our company after the pause and bring our full team back to work. Customers love this product. If there's one thing NYSERDA could do to help New York meet its residential decarbonization goals, it would be to continue to fund the 0% loan.

Conrad Metcalfe, Executive Director, Building Performance Contractors' Association of New York State asserted that the fact that funds have been drawn down so quickly indicates that 0% financing has been effective in generating many newly signed contracts. This financing facilitates energy efficiency projects that provide quick return on investment – sometimes generating positive cash flow almost immediately. The 0% loan should be continued if we are really serious about meeting the Governor's Clean Energy targets.

The success of this program proves that even in these tumultuous times, people want to invest in a clean energy future, but they do need the encouragement that this financial support provides. Early interest in the 0% financing option indicates that it is a genuine success in advancing the program's objectives and should be extended.

UNREALIZED POTENTIAL

The success of the renewable energy financing program is evidenced by the fact that the funds were depleted in 2 weeks. Unfortunately, only a small portion of the dedicated funds were committed to energy efficiency and heat pump projects. We attribute this to multiple factors:

- Our program's announcement of the 0% financing opportunity was delayed due to the complexities in coordinating with utilities and contractors as the rebate programs transition from NYSERDA to the utilities, and the need to wait until information was available on their websites for customers to review.
- Additionally, per NYSERDA instructions, we delayed until an official program announcement was made before sending promotional mailings to our communities, leaving interested customers with very little time to respond before the funds were depleted.
- Contractors and homeowners had to learn to navigate new techniques to assess structures inside the home while practicing social distancing further delaying specific contract proposals.
- HVAC proposals take longer to develop. Replacing a heating system is a more complex process than installing rooftop solar, requiring multi-stage, detailed planning to assess a home's heating needs, develop options, and assist owners in making decisions among a complex set of choices.

As a result of these handicaps, we believe that the Clean Heating and Cooling programs had a challenging time competing for the limited-time 0% financing funds. Our extensive mailings promoting this financing opportunity, that is no longer available, has just arrived in homeowner's mailboxes. We have assured those who have contacted us that we shall follow-up with NYSERDA to explore similar financing opportunities. These inquiries reaffirm a continuing interest in this promotion

For these reasons, we urge NYSERDA to offer an additional brief round of zero interest financing dedicated to the Clean Heating and Cooling sector to build on the momentum, and to enable prospective energy efficiency and heat pump customers to make changes before this year's heating season begins. We urge you to utilize this successful financing program to continue to promote economic recovery while making strides toward NY State's climate targets mandated by the CLCPA. Investment in an extended 0% financing program for clean heating and cooling will pay for itself with improved health, safety, and comfort for homeowners and communities across the state, while creating much needed jobs and supporting growth of this nascent industry.

Respectfully,

Brian Eden
Chair, Board of Directors
HeatSmart Tompkins

Bennett Sandler
Campaign Director
HeatSmart Otsego

Melissa Everett
Executive Director
Sustainable Hudson Valley

Todd Fabozzi
Director of Sustainability
HeatSmart Capital Region

Carolyn Cassata
Campaign Director
HeatSmart Orange

Adam Flint
Director of Clean Energy Programs
Binghamton Regional Sustainability Coalition

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Conrad Metcalfe
Executive Director
Building Performance Contractors Association of NYS

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Bedford 2020

Patricia Henighan
Chair
Town of Montgomery Conservation Advisory Council

Irene Weiser
Coordinator
Fossil Free Tompkins

Jessica Azulay
Coordinator
Renewable Heat Now

cc: Governor Andrew M. Cuomo

John B. Rhodes, Chair, New York State Public Service Commission

Janet Joseph, Senior Vice-President for Strategy and Market Development, NYSERDA

Wendy MacPherson, Senior Project Manager, NYSERDA

Donovan Gordon, Director of Clean Heating & Cooling, NYSERDA

Peggie Neville, Deputy Director of Clean Energy, NYS Department of Public Service