STATE OF NEW YORK

8575

IN SENATE

February 15, 2024

Introduced by Sen. RYAN -- read twice and ordered printed, and when printed to be committed to the Committee on Energy and Telecommunications

AN ACT to amend the public service law, in relation to enacting the "home utility weatherization jobs act"

The People of the State of New York, represented in Senate and Assembly, do enact as follows:

Section 1. Short title. This act shall be known and may be cited as the "home utility weatherization jobs act".

§ 2. Legislative findings and intent. The legislature finds and declares that:

(a) The Climate Leadership and Community Protection Act (CLCPA) requires significant reductions in greenhouse gas emissions, including a 40% reduction in statewide greenhouse gas emissions by 2030 and an 85% reduction in statewide greenhouse gas emissions by 2050;

(b) The Climate Action Council Final Scoping Plan (Plan) deems it essential that buildings make significant investments in energy efficiency, and the Plan's integration analysis demonstrates that widespread improvements to building envelope will reduce energy demand from the building sector by 30% to 50% by 2050;

(c) Energy efficiency is and will continue to be a key and necessary component of achieving the CLCPA's greenhouse gas emissions targets and has proven to be one of the most cost-effective strategies available;

(d) Weatherization efforts that prioritize a whole-building approach to reducing energy needs, such as through building envelope enhancements, are an effective way to reduce greenhouse gas emissions while at the same time facilitating further emissions reduction measures such as full electrification or hybrid heating systems by reducing heating load;

(e) Improving the integrity of the building envelope through upgrades or retrofits may result in deep energy savings;

(f) While existing energy efficiency programs administered by the New York state energy research and development authority are available for low- to moderate-income (LMI) customers, there are some gaps in coverage, including LMI tenants who do not live in buildings covered by

EXPLANATION--Matter in *italics* (underscored) is new; matter in brackets [-] is old law to be omitted.

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existing LMI programs, individuals who do not qualify as LMI customers, rental properties, and where existing programs do not remove or mitigate up-front financial burdens for customers;

(g) Weatherization efforts can provide significant benefits to disadvantaged and other communities through the reduction of energy usage and decreases in greenhouse gas emissions;

(h) Weatherization and energy efficiency projects can promote strong economic development and good jobs for local residents, including residents in disadvantaged communities;

(i) Utilities' access to capital and to a trusted workforce able to effectively execute projects, and experience with implementing energy efficiency programs specifically, positions them well to develop and implement programs to weatherize residential buildings; and

(j) It is therefore the intent of the legislature to remove legal barriers to utility development of weatherization programs and require the public service commission to authorize utilities to immediately commence piloting the development and implementation of targeted utility weatherization programs to further the goals of the CLCPA.

§ 3. The public service law is amended by adding a new section 66-x to read as follows:

§ 66-x. Energy efficiency weatherization improvements. 1. As used in this section:

(a) "building envelope" means the assemblies, components and materials of a building that form the thermal barrier between the interior space of the building and the exterior environment, including but not limited to walls, floors, roofing, foundation, windows and doors;

(b) "weatherization improvement project" means a project implemented by a gas corporation, electric corporation or combination gas and electric corporation that is intended to improve the integrity of a building envelope, including but not limited to locating and sealing air leaks, increasing insulation, and weatherstripping windows and doors; and

(c) "weatherization program" means a program developed by a gas corporation, electric corporation or combination gas and electric corporation for the purpose of implementing weatherization improvement projects.

2. The commission shall initiate a proceeding within three months of the effective date of this section to support the development of weatherization programs for the purpose of meeting the greenhouse gas emissions and equity goals of the Climate Leadership and Community Protection Act (CLCPA).

3. Within six months of the effective date of this section, each gas corporation, electric corporation, or combination gas and electric corporation shall submit to the commission for review and approval a pilot weatherization program plan. The weatherization program plan shall include, but not be limited to, the following: (a) the buildings and customers eligible for the proposed program, which shall include a description of how the proposed program fills existing gaps related to low- to moderate-income (LMI) customers and other customers, prioritizing homes built before nineteen hundred eighty and located in disadvantaged communities as identified by the climate justice working group; (b) a description of the weatherization improvement projects to be included in the proposed program; (c) whether the weatherization improvement projects will be completed by internal labor, contracted resources, or both; (d) a description of job training or workforce development efforts necessary to implement the proposed plan; (e) proposed total annual costs of the program; (f) projected annual greenhouse gas emissions reductions resulting from the proposed program; and

(g) the projected savings on pipeline and other equipment repair or replacement from the reduction in usage. In developing weatherization program plans, a gas corporation, electric corporation, or combination electric and gas corporation shall coordinate with other utility participants and the New York state energy research and development authority.

4. Within one year of the effective date of this section, the commission shall determine whether it is in the public interest to approve or modify such weatherization program plans and shall issue an order directing each gas, electric, or combination gas and electric corporation to implement such weatherization programs. In determining whether a weatherization program is in the public interest, the commission shall consider whether the program: (a) facilitates energy reliability for customers; (b) supports the state's achievement of the greenhouse gas emissions reduction goals of the CLCPA; and (c) promotes job training and workforce development.

5. The commission shall authorize each gas corporation, electric corporation or combination gas and electric corporation to fully recover in the context of rate or other duly authorized proceedings the costs associated with each such corporation's weatherization program. Each gas corporation, electric corporation or combination gas and electric corporation shall defer any unrecovered expenses associated with an approved or modified weatherization program as a regulatory asset pending a subsequent rate or other duly authorized proceeding. All unrecovered expense balances shall accrue carrying charges at such corporation's pre-tax approved rate of return.

6. Each gas, electric, or combination gas and electric corporation shall report to the commission, on a quarterly basis, and until completion of the weatherization programs as determined by the commission, the status of each weatherization program. The commission shall post and make publicly available such reports on its website. The report shall include, but not be limited to: (a) projects completed pursuant to the program; (b) barriers to implementation, if any; (c) costs of the program; (d) number of jobs retained, created or enhanced by the program; and (e) any other such information the commission deems to be in the public interest.

7. Any weatherization program approved or modified under this section shall demonstrate that the gas corporation, electric corporation, or combination gas and electric corporation has entered into a labor peace agreement with a bona fide labor organization of jurisdiction that is actively engaged in representing gas and electric corporation employees. The labor peace agreement shall apply to the employees necessary for the implementation of the weatherization program. The labor peace agreement shall be an ongoing material condition of authorization to implement such program.

§ 4. This act shall take effect immediately.