



ASSEMBLY STATE OF NEW YORK ALBANY

COMMITTEES
Alcoholism & Drug Abuse
Consumer Affairs & Protection
Corporations, Authorities & Commissions
Insurance
Science & Technology

Dear President Doreen M. Harris,

We are writing to you in support of the measured savings pathway of the HOMES program, an important Inflation Reduction Act program that NYSERDA will be overseeing to weatherize and electrify homes. New York [will be awarded](#) \$159 million as part of the HOMES program, and we believe that it is of the utmost importance to achieve **maximum emissions reductions, taxpayer accountability, homeowner simplicity, and equity while deploying these resources**. We believe that the measured savings pathway will ensure we achieve these ambitious goals.

Under the HOMES program, state governments may have the option to choose *measured* and/or *modeled* savings pathways to incentivize home energy use reductions. Under the modeled pathway, energy use reductions would be estimated using BPI-2400 approved software that is calibrated using historical energy bills. Under the measured pathway, energy use reductions would be measured using actual energy usage data, before and after project installation.

We strongly support the measured savings pathway for five key reasons:

- **Market Transformation:** NYSERDA [has an exciting and ambitious goal](#) to retrofit 2 million homes by 2030. We applaud and support this goal, but also believe that it can only be achieved if NYSERDA continues to invest in research and development, including program design. Measured savings offers the potential to dramatically increase market participation and private sector investment in home weatherization and electrification. The status quo is simply not acceptable given the climate and energy affordability crisis impacting every single New Yorker.
- **Taxpayer Accountability and Consumer Protection:** The measured savings pathway ensures accountability in taxpayer money being spent to achieve real emissions reductions as well as consumer protection around the energy savings performance of projects. Studies of modeled savings programs by NYSERDA and others have found that energy models can overestimate energy savings by 50 percent or more. Most importantly, measured savings programs will provide accountability to homeowners (and renters) that invest in energy-savings improvements like weatherization and heat pumps. Past [modeled programs have seen poor installation quality](#) in part due to misaligned incentives. Given the large taxpayer and ratepayer investments in weatherization and electrification, incentive alignment with consumer protection is paramount.

Energy and Emissions Reductions: The measured savings pathway will achieve greater emissions reductions than the modeled pathway by paying out incentives based on actual energy savings. Based on analysis of ResStock data and historical modeled energy



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efficiency program performance, the measured savings pathway could result in 375 GWh of energy savings in New York, while the modeled pathway would produce 150 GWh of energy use reductions. That is the equivalent of taking 34,000 gas cars off the road for a year or preventing 177 million pounds of coal from being burned. Measured savings can help New York meet its obligations under the Climate Leadership and Community Protection Act (CLCPA) to achieve 100% clean electricity by 2040.

- **Equity Impact in Frontline Communities:** The measured savings pathway will ensure that low- and moderate-income (LMI) households receive larger incentives. This is because the incentive levels for the measured pathway are not capped at the same levels as the modeled pathway. This means that low-income homeowners may be eligible for \$14,000 or more in incentives for comprehensive projects under the measured savings pathway, versus a cap of \$8,000 under the modeled savings pathway.
- **Homeowner and Contractor Simplicity:** The measured savings pathway will be simpler and easier for homeowners and contractors that participate in the HOMES program. That is because aggregators will reduce soft costs by taking on many program application functions (and cash flow risk) that are normally borne by contractors. A recent NYSERDA study found that these soft costs can total \$2,857 per project. Aggregators will provide payment up front to contractors and homeowners, taking on the risk and responsibility of project performance over time. Measured savings will ease burden on contractors, helping a broader set of contractors and trade allies (including minority and women-owned business) participate in the program.

The measured savings pathway can be a down payment on market transformation and make New York (and NYSERDA) a national leader in accountability and innovation in home energy efficiency and electrification programs. We support NYSERDA's mission to continue to invest in the new generation of clean energy technologies and market transformation strategies, and urge you to further your mission by utilizing the measured savings pathway of the IRA's HOMES program.

Sincerely,

Alex Bores, Assemblymember for the 73rd District

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The following members of the New York State Legislature have signed in support of this letter:

Senator Andrew Gounardes

Senator James Skoufis

Assemblywoman Michaele C. Solages

Assemblymember Steven Raga

Assemblymember Khaleel Anderson

Assemblymember Jessica González-Rojas

Assemblymember Brian Cunningham

Assemblymember Emily Gallagher

Assemblymember Jo Anne Simon

Assemblywoman Maritza Davila

Assemblymember Grace Lee

Assemblymember Linda Rosenthal

Assemblymember Edward Gibbs

Assemblymember Harvey Epstein

Assemblymember Tony Simone

Assemblymember Chantel Jackson

Assemblymember John Zaccaro, Jr.

Assemblyman Jeffrey Dinowitz

Assemblymember Kenny Burgos

Assemblywoman Amy Paulin

Assemblymember MaryJane Shimsky

Assemblymember Chris Burdick

Assemblywoman Dana Levenberg

Assemblymember John T. McDonald III

Assemblymember Patricia Fahy

Assemblymember Dr. Anna R. Kelles

Assemblyman Al Stirpe

Assemblymember Jen Lunsford

Assemblymember Sarah Clark

Assemblymember Demond Meeks