Testimony of

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Chair Krueger, Chair Pretlow, Chair Barrett, Chair Glick, Chair Harckham, and members of the Committees, thank you for the opportunity to testify before you today. I am Doreen Harris, President and CEO of the New York State Energy Research and Development Authority (NYSERDA).

I appreciate this chance to continue our engagement with the Legislature as we advance New York's energy system planning, prioritizing the transition to a clean energy future. Within our planning, we remain laser focused on building our economy, amid the practical realities of keeping the lights and heat on while maintaining affordability for all New Yorkers.

I want to begin with where New York stands today. Led by Governor Hochul and in partnership with the Legislature, including through investments such as the Clean Water, Clean Air, and Green Jobs Environmental Bond Act and the historic Sustainable Future Program, New York has made real progress advancing clean energy while keeping affordability and reliability front and center.

Together, we have delivered measurable progress with projects under construction, renewable generation, workforce growth, and direct benefits to New Yorkers, despite unprecedented federal headwinds. Today, approximately 25% of New York's electricity is powered by renewables, with another 64 large-scale renewable projects in development that are expected to meet an additional 22% of statewide electricity demand. This is complemented by the ongoing contributions of our upstate nuclear fleet which is expected to contribute about 16 percent in 2030.

New York State has installed over 7 gigawatts (GW) of distributed solar, reaching the State's 6 GW goal ahead of schedule. The South Fork offshore wind project, completed in 2024, is delivering enough clean energy to power 70,000 Long Island homes. One of the state's largest energy infrastructure projects in 50 years, the Champlain Hudson Power Express (CHPE) transmission project is nearly complete and will soon deliver another 2 GW of clean energy to the New York City region. Sunrise Wind and Empire Wind are anticipated to begin delivering electricity to the grid in 2026 and be fully operational in 2027 and together have created nearly 5,000 jobs, 40% of which are union, and thousands more indirect jobs. This progress demonstrates what can occur in our state if we reach high and stay the course with a durable commitment to clean energy which can continue to be built upon.

Across NYSERDA, LIPA and NYPA, utility, and other programs, we have reached 81% of targeted efficiency, saving nearly 150 TBtus (Trillion British Thermal Units) translating to more than $2.5 billion of annual energy savings to New Yorkers. These projects have created thousands of jobs, stimulated domestic manufacturing opportunities, and

spurred billions of dollars in economic investment in our State. This progress matters because it is delivering tangible benefits for New Yorkers, especially when it comes to energy affordability.

At a time when inflation, housing costs, and other factors are increasing everyday expenses, NYSERDA's work translates policy into real, measurable savings for New Yorkers. Since 1998, NYSERDA energy efficiency programs have saved participating New Yorkers over $2.8 billion per year on their energy bills. Well over 1 million households and 54,000 commercial, industrial, and institutional customers reduced their energy use and annual energy bills by participating in NYSERDA programs. At the customer level, direct savings averaged $550 per household and nearly $28,000 for non-residential participants annually through New York's Clean Energy Fund (CEF) investments.

The statewide distributed solar portfolio is also reducing the total costs of operating New York's power grid during peak electricity demand, including delivering approximately $90 million in ratepayer savings during a single heatwave in the summer of 2025. Likewise, NYSERDA's major energy efficiency programs in CEF and Regional Greenhouse Gas Initiative (RGGI) reduced summer peak demand and wholesale capacity costs by approximately $20 million in the summer of 2025. Now our energy storage goals are poised to reduce future statewide electric system costs by nearly $2 billion through 2050. In fact, both California and Texas are already seeing the vast benefits of energy storage. California's battery fleet provided 8.6% reduction in peak reliability in 2024. Ratepayer savings related to community solar and storage in California are estimated to total $6.5 billion over 20 years, through lower electric prices.

Since 2023, EmPower+ has enabled over 54,600 energy efficiency and weatherization installations, building on two decades of success. These installations have already saved families an estimated $30.7 million in yearly energy costs, or approximately $581 a year in savings for the average household. At the same time, affordability and reliability do not happen by accident - they require deliberate planning, especially as conditions change.

This past year, I was proud to Chair the State Energy Planning Board, which led the work to develop the State Energy Plan (Plan), a framework for the State's energy outlook over the next 15 years. At the Governor's direction, the Plan takes stock of how to deliver an affordable, abundant, reliable, and clean energy system amid real-world constraints. The Plan was informed by a stakeholder-driven process, with over 15,000 public comments informing the Planning Board's work. A central pillar of the Plan is to ensure energy reliability while protecting affordability for all New Yorkers.

At the same time, the Plan was an opportunity to be clear-eyed about the serious headwinds we face, which are creating project risk and disrupting markets, both here in New York and across the nation. Over the past several years, we have witnessed:

- a turbulent inflationary economy,
- lingering impacts of supply chain disruption,
- hurdles in the face of bipartisan support for onshore new manufacturing activity, and
- shifting policies of the federal government creating instability for development of projects in New York, uncertainty for national markets to invest in new energy technologies, and research and development that results in technology cost reductions.

The antidote to federal obstruction is committed action by our State, including continuing to pursue clean energy through renewables and nuclear development alongside investments in energy efficiency, electrification of homes and cars, and more. Under Governor Hochul's direction, New York continues to fight for projects and progress, using every available tool to protect investments, maintain momentum, and deliver results for New Yorkers. One such tool is streamlining the permitting and review process. NYSERDA supports the Governor's efforts to streamline environmental reviews and permit and develop projects responsibly.

We can advance the goals of energy affordability and abundance alongside the energy transition, but we also need to be realistic about the impact of challenges. We must recognize timeframes and progress that are both ambitious and achievable. The Plan is designed to provide guidance for decision making as energy policy increasingly intersects with economic development and grid reliability under real-world, changing constraints.

At its core, the Plan evaluates how New York can meet growing energy demand while maintaining reliability and managing costs as the system transitions, recognizing that demand growth and system constraints are occurring simultaneously.

The Plan does not prescribe a single pathway. It models multiple scenarios and identifies where constraints emerge, so policymakers can see where tradeoffs appear before decisions are locked in. The Plan has taught us that we must invest in New York's energy system. Every modeled pathway in the Plan requires safe and adequate electric service, including meeting peak demand and extreme weather conditions. Reliability is treated as non-negotiable since failures have immediate economic and public safety consequences.

We also recognize that demand for electricity is growing. More than three quarters of the peak load growth of our Plan core planning case was present in the "No Action" case, which excluded State policy. That is, loads from natural electric vehicle adoption

and especially large loads from data centers and new manufacturing facilities will drive the bulk of electric demand increases in the coming years.

Even as we work to deploy resources to meet growing energy needs, it's essential that we modernize our aging system. NYISO projects that by 2030, over 6 GW of existing generators will reach retirement age. The oldest still functioning gas pipelines in New York will turn 150 years old this year. Numerous utilities report substantial age for transmission and distribution infrastructure. The "No Action" case projected that we would need to spend approximately $150 billion every year on energy equipment and energy infrastructure to reliably meet the demand we have and see coming.

The Plan also demonstrates that a diverse mix of energy resources will ensure reliability while cutting emissions. The Plan finds that by 2040, alongside our existing hydro and nuclear resources, we'll need to add more than 40 GW of solar and wind, 8 GW of storage, and 2 GW of new nuclear. Doing this will cut emissions and boost New York's energy independence. We found, for example, that pursuing the Governor's Nuclear Reliability Backbone would reduce costs of achieving 0x40 targets by $28 billion through 2040, growing over the next decade and beyond. Similarly, if bioenergy like renewable natural gas were a part of our 0x40 strategy, that would reduce costs by as much as $9 billion through 2050.

Beyond 2040, the Energy Planning Board anticipates growth opportunities for all technologies, including as much as 8.5 GW of total nuclear and 57 GW of total renewables (including hydro). In light of deployment uncertainty across all resources, planning and investments should rigorously pursue a mix of resources to support multiple energy futures. We also found that gas and oil, even as their use declines, continue to contribute meaningfully to meeting New York's energy needs through 2040 and beyond, which requires continued investments to make sure these systems are modern, efficient, and dependable.

Clean energy is a key part of the strategy to lower energy bills but unlocking this potential will require State action. The Plan found that as households across the State replace their current equipment with more efficient options on the market today, they can anticipate their energy use and bills coming down. This includes families that replace old fossil fuel equipment with more efficient current models, but we were also encouraged to find the same and often even greater benefit for families adopting energy efficiency technologies alongside electrification. An Upstate oil heat household could trim energy spending by more than $300 a month by adopting efficient electrification. Comparable savings for a New York City natural gas household are about $100 a month.

But unlocking these benefits will require State government to continue working hard to boost access to these money-saving technologies. While efficient electrification will result in bill savings for many households, we need to make it more affordable to make

these choices in the first place. Lowering installed costs via incentives and market transformation is essential.

Our Energy Plan isn't just a requirement for reliability; it demonstrates that the clean energy transition will deliver major benefits. Our core planning scenario boosts societal costs over time— 3% in 2030 and about 13% by 2040. But in our estimation these investments will result in reduced energy bills, create jobs, and generate health benefits. The clean energy transition will create over 80,000 net new jobs by 2040. We will create tens of thousands of jobs in construction, maintenance, administrative work and beyond, including 7,000 new manufacturing jobs associated with energy investment. By 2040, we anticipate that our Energy Plan will avoid 1,000 premature deaths per year, 1,300 emergency room visits for asthma, 48,000 sick days from work and more. All New Yorkers will see these benefits, but especially those who live in disadvantaged communities.

This year's Regional Greenhouse Gas Initiative Operating Plan Amendment also leads with a focus on affordability so that the programmatic investments that we are making continue to help New Yorkers control and lower their energy costs. Consistent with our planning work, each year NYSERDA amends the RGGI Operating Plan to reflect current realities and expectations for this year and the three fiscal years thereafter. This helps ensure program momentum, while providing a line of sight to communities, households, and businesses regarding our intended programmatic focus.

Over 60% of RGGI investments in this year's approved Plan are designed to address affordability. As an example, EmPower+ funding through the RGGI Operating Plan will allow the program to serve a broader range of low-to-moderate customers than can be addressed with ratepayer funding alone, and provide energy efficiency and electrification incentives to low-to-moderate-income customers statewide, directly reducing participant homes' energy needs, with a focus on permanent energy efficiency measures. This year's RGGI funding allocations were received positively by stakeholders, with over half of the public comments we received expressing support for the EmPower+ funding allocation in particular.

The Energy Plan work showed that policy and planning require reevaluation and recalibration to better situate climate and environmental policy in the context of significant changes. The federal government's assault on clean energy and climate has a tremendous impact. Tariffs and other policies have driven up costs and added to already rising inflation. We continue to make responsible, ambitious investments in the energy transition that sustain and support the economy despite the federal government's hostility, including most recently fighting for offshore wind projects benefiting New Yorkers.

As a result of our commitment, New York is a global leader in energy transition, and we are continuing to make progress toward our emission reduction goals. The reality is, if we tracked our progress using the greenhouse gas accounting methodology used by our peers, we would be a lot closer to meeting our 2030 goals than under our current approach.

The Energy Plan also points us to essential next steps, including developing the Masterplan for Advanced Nuclear to ensure that Governor Hochul's target for a Nuclear Reliability Backbone is done safely, cost effectively, and with maximum benefit to our State's economy. NYSERDA will continue to collaborate with partner agencies to advance a clear pathway for additional nuclear generation to build up firm, reliable grid capacity, through the Governor's proposed Nuclear Reliability Backbone Initiative and efforts to build a skilled, in-state nuclear workforce through the NextGen New York program. These realities are core to realizing Governor Hochul's focus on energy affordability and remain central to our work. NYSERDA will focus on developing the resources in our pipeline for renewables including the completion of the Empire Wind and Sunrise Wind offshore wind projects.

We will maintain programs that help New Yorkers benefit from our investments, including long-term planning for EmPower+ that serves low-income and disadvantaged constituents. The Governor allocated an additional $50 million for the EmPower+ program in the FY2027 Executive Budget, which will continue to deliver results for tens of thousands of low- and moderate-income households across the State.

NYSERDA's proposed $28.725 million in 18-A funding will support continued research and development work and energy planning. We are working across agencies to support the transition to clean energy, ensuring that New York State is attractive for new business and supports clean energy jobs. We are investing $140 million for workforce development and training initiatives from 2026 through 2030, including training on energy efficiency and building electrification technologies and other clean energy technologies.

Growing our clean energy economy with family sustaining jobs is a significant benefit of our work. At the end of 2024, New York was supporting more than 184,000 clean energy jobs across the State, representing a 3% increase over 2023 figures. And we stand to see hundreds of thousands of additional new jobs created in the coming years as we continue to advance our State's clean energy progress. As NYSERDA looks to the future, we are thankful for our partnership with the New York State Legislature to realize these positive outcomes on behalf of the New Yorkers we serve.

These outcomes are continued proof points that energy efficiency and on-site clean energy strategies are a primary means to deliver tangible benefits to New Yorkers, allowing customers to help control their energy costs. The imperative now is moving

from planning to execution. Crucially, while these money saving programs require upfront investment, they're far from the main driver of rate increases. In fact, DPS's CLCPA Cost Report revealed that between 2023-2029, costs other than Commission-approved clean energy programs will be responsible for three quarters of projected bill increases.

As we head into the coming year, New York is using the Plan to guide effective stewardship of financial resources, including those in clean energy technology as well as those necessary to maintain and repower the system that we have. We must also continue to engage in careful energy planning and analysis to further build on the Plan and its recommendations.

Many actions are already underway or under consideration, and NYSERDA and our partner agencies will continue to use the Plan to guide implementation. NYSERDA, along with these agency partners, is continuing to advance a clean, affordable, reliable, and resilient energy system in New York State. We are building and expanding economic opportunity while keeping New Yorkers' lights and heat on and helping families save money on their energy bills.

Our team looks forward to continuing to work with our elected leaders to deliver for our State. Thank you. This concludes my opening remarks.