

**New York State  
Energy Research &  
Development Authority**

Note: This statement reflects the position of Pratt Center for Community Development and not necessarily Pratt Institute

The following comments were prepared by the Pratt Center for Community Development and are informed by over 15 years of working alongside New York City's 1-4 family low- and moderate-income households and the community-based organizations and contractors that serve them.

**If we are to deploy incentives at the speed that is needed to fight climate change, Pratt Center strongly recommends that NYSEERDA consider and integrate the following suggestions as quickly as possible.** These recommendations come from years of experience in piloting, testing and analyzing potential program design interventions through our energy equity projects. The goal of this work has always been to rapidly increase access for New York City's disadvantaged communities' to the benefits of the clean energy transition—both because they need the help and because our planet is burning.

Currently, only about 7% of NYSEERDA's single family residential projects have occurred in New York City. One of NYSEERDA's key program design objectives is to "ensure equitable distribution of funding across single family, 2-4 family buildings, and large multi-family." However, public data shows that over the past 13 years, NYSEERDA's programming has failed to reach 2-4 family buildings in New York City, which number in the hundreds of thousands and have a large number of BIPOC and low-income homeowners and tenants. If NYSEERDA is truly committed to bringing "equitable distribution" to long ignored Black and brown communities, it must try new, less restrictive program design elements, grounded in the realities of doing business in New York City.

Ensure equitable and effective stacking of IRA and NYSEERDA ratepayer funded programs through the following methods:

1. **Increase the amount of money allocated to "multi-family" projects, particularly 2-4 family buildings.** Ensure that the 2-4 unit market is receiving at least one-third of available funding.
2. **Use the DOE's recommended income definitions and increase the Empower+ program's income limits to match the DOE limits.** The use of matching income requirements will streamline application processes across IRA and NYSEERDA ratepayer funds, easing an administrative burden that currently increases contractor time and costs by having to determine multiple rules for multiple programs. Complex income verification rules also derail many homeowners from moving to yes on electrification projects because gathering all required documentation can cost time and resources that most households do not have in today's economy.
3. **Use DAC or Justice 40 geographic designations for determining automatic eligibility and rapidly enrolling households in these communities in the HER, HEAR and all associated and stackable NYSEERDA programs.** Poverty is intersectional and the creation of both the Justice 40 and NYS DAC definitions are based on that reality. NYSEERDA currently chooses to ignore this in program design, using their own definitions of what makes a community disadvantaged, despite both J40 and DAC being determined by many experts in a thorough policy process. This can be seen in the current Empower+ geo-eligibility pilot, which completely ignores the DAC map and instead chooses to use a faulty indicator that leaves barely any homes able to participate in the pilot in New York City or across the State. We urge NYSEERDA to not repeat the mistakes of Empower+ in its IRA program design. Stop denying households that have income over the current set limits, but are still very much disadvantaged and need the help decarbonizing their home.

4. **For households outside of designated DACs or Justice 40 communities, use no less than the DOE 80% Area Median Income for all Low Income eligibility requirements across all NYSERDA programs that could be stacked with IRA funds.** Use of the Federal IRA income limit recommendations, rather than NYSERDA's current extremely low-income max of 60% State Median Income, will greatly increase the number of low-income and BIPOC households that are able to begin the electrification journey. If NYSERDA believes that they are mandated by the Public Service Commission to use a certain income eligibility threshold, they should appeal to the PSC to provide them with permission to increase their income limits on Empower+.
5. **Use attestation for verification of income rather than documentation.** If documentation must be used, keep it simple. Limit it to only one or two types of income information such as tax returns, paystubs, or social security letters. Utilize the attestation model that the Low Carbon Pathways program uses for determining number of units.
6. **Allow nonprofits that are HUD approved housing counseling agencies to certify income and other eligibility requirements.** By taking the onus off the contractor and leveraging a naturally occurring pipeline of potential projects and well-trained staff, NYSERDA will be able to quickly move project verifications along that contractors may have previously avoided due to the administrative burden of current programming.
7. **The HER Rebate should be topped off with Empower+ funds to cover 100% of the project cost for Low Income households ( $\leq 80\%$  AMI), rather than 80%.**
8. **NYSERDA should focus its ratepayer funding flexibly and inclusively, allowing incentives to cover a wide variety of costs for Low Income households.** These could include the additional costs associated with building energy upgrades such as fees for removing old equipment, the cost of patching up walls when opened for wiring, or remediating mold in order to begin even the most minimal efficiency journey.
9. **Allow for retroactive rebates on any projects that might otherwise be delayed or canceled due to lack of funding.** This will both spur energy-savings projects, giving contractors a strong market signal that they can push ahead on projects and allowing homeowners who may need to make immediate upgrades (say for an equipment malfunction) to make the more sustainable decision rather than the cheapest or fastest. This should be done for both individual homeowners and nonprofit organizations working on behalf of a household.

We also recommend that NYSERDA ensure greater equity in program design and implementation by educating staff on issues of equity, using community co-design, and allowing programmatic oversight by the Energy Equity Collaborative. Through a more inclusive, collaborative and transparent approach to design and implementation, NYSERDA can ensure it is meeting the required government mandates of targeting DAC and J40 communities effectively.

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