NEW YORK STATE DEPARTMENT OF PUBLIC SERVICE
OFFICE OF MARKETS & INNOVATION
CLEAN ENERGY GUIDANCE

CLCPA-Disadvantaged Communities Investment and Benefits Reporting Guidance

Version History Log:

Version	Date Issued	Approval	Changes
1.0	2023-09-27	Marco Padula, Director	N/A

Purpose:

This Clean Energy Guidance document provides guidance on the necessary content and process elements for data metrics tracking and reporting associated with Disadvantaged Communities in relation to the Climate Leadership and Protection Act (CLCPA), initially required by the Public Service Commission's (Commission) 2021 CEF Modifications Order.[1] Within the Commission's July 2023 Order Directing Proposals, the Commission identified additional reporting elements be developed, and directed Staff to further refine guidance documents to be inclusive of those elements.[2]

This guidance applies to the New York State Energy Research & Development Authority (NYSERDA) and the investor-owned-utilities (the utilities)[3], collectively, the Program Administrators and are applicable to Program Administrators energy efficiency, clean energy, transportation, and low-income bill assistance programs that are funded by New York' electric and gas ratepayers, as authorized by the Commission. This document complements the existing Clean Energy Guidance documents[4] and remains in effect until revised, rescinded or superseded.

[1] Case 14-M-0094 - Proceeding on Motion of the Commission to Consider a Clean Energy Fund, Order Modifying the Clean Energy Fund (CEF Modifications Order), (issued September 9, 2021).
[2] 18-M-0084 - In the Matter of Utility Energy Efficiency Programs, "Order Directing Proposals" (July 2023 NENY Order), (issued July 19, 2023).
[3] The utilities are Central Hudson Gas & Electric Corporation (Central Hudson), Consolidated Edison Company of New York, Inc. (Con Edison), KeySpan Gas East Corporation d/b/a National Grid (KEDLI), The Brooklyn Union Gas Company d/b/a National Grid NY (KEDNY), Niagara Mohawk Power Corporation d/b/a National Grid (Niagara Mohawk), National Fuel Gas Distribution Corporation (NFG), New York State Electric & Gas Corporation (NYSEG), Orange and Rockland utilities, Inc. (Orange & Rockland), and Rochester Gas and Electric Corporation (RG&E).
[4] Related guidance documents can be found at: https://dps.ny.gov/clean-energy-guidance-documents

Background:

CLCPA Disadvantaged Communities Investment and Benefit Requirement

Through the CLCPA,[5] State agencies are required, to the extent practicable, invest or direct available and relevant clean energy and energy efficiency programmatic resources towards disadvantaged communities, as defined by the Climate Justice Working Group (CJWG),[6] such that beginning January 1, 2020 the State's overall goal is for Disadvantaged Communities to receive 40 percent of overall benefits of spending on clean energy and energy efficiency programs, projects or investments in the areas of housing, workforce development, pollution reduction, low-income energy assistance, energy, transportation and economic development, provided however, that disadvantaged communities shall receive no less than 35% percent of the overall benefits of spending on clean energy and energy efficiency programs.

The Disadvantaged Communities Criteria, as adopted by the CJWG, includes a geographic component that identifies census tracts that meet the criteria identified by the CJWG, as well as an individual component that includes low-income households[7] for the purpose of tracking clean energy and/or energy efficiency investments and benefits to Disadvantaged Communities.

Commission Directives Regarding Reporting of Disadvantaged Communities Investments and Benefits

In its January 2020 NENY Order,[8] the Commission acknowledged that CLCPA directs the Commission to "develop and report metrics for energy savings and clean energy market penetration in the low- and moderate-income market and in disadvantaged communities." At that time, it anticipated that metrics to be reported may result from program activities, including but not limited to the LMI programs, but did not yet have adequate information to specifically identify applicable metrics to comply with CLCPA.

The CEF Modification Order adopted goals and metrics related to advancement of CLCPA targets:

1. The CEF, in total, would reach for the target of providing 40% of the benefits of CEF spending towards Disadvantaged Communities;
2. The CEF will track and report Statewide clean energy jobs subsidized and training provided to priority populations;
3. The CEF will track and report local air quality improvements as a result of investments in clean energy technologies.

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[5] ECL § 75-0117

[6] Details on the Disadvantaged Communities criteria, including a list of census tracts covered, documentation of indicators and methodology for developing the criteria, and shapefiles for the criteria can be found online at https://climate.ny.gov/Resources/Disadvantaged-Communities-Criteria

[7] Low-income households have an annual household income at 60% or below State-Median Income (SMI), or are otherwise categorically eligible for low-income programs,

[8] Case 18-M-0084, supra, Order Authorizing Utility Energy Efficiency and Building Electrification Portfolios Through 2025 (issued January 16, 2020).

The Order Directing Proposals reinforced the Commission's expectation for Program Administrators to deliver meaningful benefits to Disadvantaged Communities and included several requirements to operationalize this expectation. Program Administrators are required to:

1. Have systems in place that will geo-code all projects receiving place-based[9] incentives, to ensure accurate reporting;
2. Provide discrete tracking of program information related to budgets, expenditures, and benefits between "low" and "moderate" income customers;[10]
3. Provide an annual report on investments and benefits in Disadvantaged Communities, with the initial report to include investments that have been made since January 1, 2020, through December 31, 2022,[11] no later than December 31, 2023; and
4. Following the initial report, report annually and align with New York State reporting on Disadvantaged Communities investments and benefits.[12]

Reporting on Ratepayer-Funded Investments and Benefits:

The reporting requirements discussed below apply to Commission authorized, ratepayer supported energy efficiency, building electrification, customer-sited renewable energy programs, and energy affordability programs.

Program Administrators may receive funding from sources other than Commission authorized ratepayer funds. Expenditures and metrics reported in this report should identify only funds and benefits correlated to Commission authorized appropriations.

Program Administrators should provide data consistent with all Guidance and apply realization rates, factors, and methodologies as they would for related Scorecard Reporting, such as identifying direct energy savings and applying realization rates to reported savings. In instances where existing guidance does not adequately describe reporting requirements to sufficiently report direct investments to Disadvantaged Communities for this report, additional guidance is provided herein.

[9] Investments designed to serve specific individuals, households, business types or communities.
[10] As outlined above, per the Disadvantaged Communities criteria, investments and benefits related to low-income customers located outside of Disadvantaged Communities will be included in the accounting of percentage of benefits directed to Disadvantaged Communities.
[11] The CLCPA was enacted on January 1, 2020.
[12] DPS is working with other State agencies in the development of a process and timeline for statewide reporting on Disadvantaged Community investments and benefits. DPS anticipates that Statewide Reporting will commence late 2023, with a first report to be published in 2024. DPS is coordinating with State Agencies to develop guidelines and materials to facilitate the collection, compilation, and reporting of clean energy and energy efficiency data. As necessary, Staff will revise CE-12 to reflect updates based on development of statewide reporting guidance and associated timelines.

APPLICABLE PROGRAMS:

The following programs have been identified as those that provide place-based incentives to Disadvantaged Communities subject to reporting associated with CLCPA reporting:

Matter/Program	Case Number	Program Administrator
Clean Energy Fund (Market Development and Innovation & Research Portfolio; New York Green Bank; NY Sun).	14-M-0094- Proceeding on Motion of the Commission to Consider a Clean Energy Fund.	NYSERDA
New York Green Bank	13-M-0412 - Petition of New York State Energy Research and Development Authority to Provide Initial Capitalization for the New York Green Bank.	NYSERDA
NY Sun	19-E-0735- Petition of New York State Energy Research and Development Authority Requesting Additional NY-Sun Program Funding and Extension of Program Through 2025.	NYSERDA
New Efficiency New York (NENY) • Statewide Low and Moderate-Income Implementation Plan • Statewide Clean Heat New York Implementation Plan • Utility Energy Efficiency Targets	18-M-0084- In the Matter of Utility Energy Efficiency Programs.	NYSERDA; Central Hudson; Con Edison; KEDLI; KEDNY; National Fuel Gas; National Grid; New York Gas & Electric; Orange & Rockland; Rochester Gas & Electric
Electric Vehicle Infrastructure	18-E-0138- Proceeding on Motion of the Commission Regarding Electric Vehicle Supply Equipment and Infrastructure.	Central Hudson; Con Edison; KEDLI; KEDNY; National Fuel Gas; National Grid; New York Gas & Electric; Orange & Rockland; Rochester Gas & Electric (where applicable)
Energy Affordability Program • Arrears Reduction Program	14-M-0565- Proceeding on Motion of the Commission to Examine Programs to Address Energy Affordability for Low Income Utility Customers	Central Hudson; Con Edison; KEDLI; KEDNY; National Fuel Gas; National Grid; New York Gas & Electric; Orange & Rockland; Rochester Gas & Electric
• Additional Programs may be established that may require tracking and reporting of applicable benefits. • Additional metrics may be added to regulatory reporting that may expand program reporting eligibility beyond this list.		

PLACE-BASED DATA:

Place-based programs and investments are to be accounted for where initiatives those that can reasonably be prioritized or targeted to individuals, households, businesses, and other entities within specific geographic areas (e.g., census track or county).

Incorporating geocoding into program data expands Program Administrators' capacity to integrate Disadvantaged Communities criteria and considerations into programmatic design and implementation, thereby increasing the effectiveness of programs and increasing benefit to targeted customers. In order to identify place-based expenditures, Program Administrators must be able to geocode expenditures, on a per project, or per investment basis. In order to facilitate future program direction and accounting of expenditures going to targeted locations, it is paramount that expenditures be able to be tracked at a granular level to provide such detail. Therefore, this guidance document effectuates the direction from the Commission that all Commission authorized program metrics for clean energy, energy efficiency, building electrification, and energy affordability programs must be expanded to include geo-coding place-based incentives provided through ratepayer supported programs.

The Geographic Information System (GIS) mapping Shapefiles that Program Administrators should utilize to facilitate their ability to geocode investments and conduct GIS analysis of their territories can be found online at data.ny.gov.[13] Program Administrators will have the opportunity to report, where data is available, low-income investments, regardless of whether those low-income investments occur in a qualifying census track.

METRICS:

To demonstrate compliance with the CLCPA requirement that 35% of clean energy and energy efficiency benefits accrue to Disadvantaged Communities, Program Administrators will track and report place-based expenditures,[14] therefore, funding encumbrances should not be included within this report.

Templates will be provided to Program Administrators in Excel Format. Templates must be filed in the Document Matter Management System (DMM)[15] As Excel files. Illustrations of the Metrics Template are provided in Appendix A.

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[13] Geo-coding shall be conducted using the 2010 census information, available at: https://data.ny.gov/Energy-Environment/Final-Disadvantaged-Communities-DAC-2023/2e6c-s6fp . To the extent the source material is updated, this document will be updated to reflect changes.

[14] Staff expects that the expenditures will primarily fall within the incentives and services budget categories, however Program Administrators should include any relevant investments contained in other budget categories and identify which budget categories the investment is associated with.

[15] Matter - 23-02017 - In the Matter of Reporting Investments and Benefits to Disadvantaged Communities.

To illustrate the breadth of the impacts of the Commission-authorized investments, Program Administrators should include annual energy savings within reporting:

Staff expects that in future iterations of the annual report and in the Statewide report, additional co-benefits may be included.[16]

The initial data collection and reporting effort will focus on place-based investments made between 2020-2022 and associated co-benefits. Dollars spent through placed-based programs or investments will be the primary metric tracked against the 35% requirement / 40% goal. There may be instances or Programs which warrant direct incentives to be categorized by one of the other expenditure categories. Therefore, in addition to the required date fields, Program Administrators should articulate the categories of expenditures that comprise the reported totals in workpapers submitted to Staff.

Given the potential for variation in the ability to geocode investments or the nature of the investment, Program Administrators should abide by the following additional guidance:

- Direct benefits that cannot be geocoded should be labeled “unmapped.” Such projects should still be reported and will be included incorporated within calculating the compliance metrics.
- When financial incentives are provided to a midstream partner or distributor, such as energy rebates offered through a brick-and-mortar partner- the funding should be reported under the census tract of the store location.
- System improvements, bulk and off-site retail storage projects that deliver energy directly into the transmission and distribution system, provide benefits across the electric system and are considered statewide investments, therefore are not to be included in reporting towards the compliance metrics. .
- Low-income customers are defined as households reporting annual total income at or below 60 percent of State Median Income or are otherwise categorically eligible for low-income programs (i.e., Home Energy Assistance Program).
    - Investments and benefits attributed to low-income customers should be included in reporting, no matter where they are located in the State.
    - For programs focused on affordable housing, occurring outside of designated census tracks, where the percentage of low-income recipients is unknown, a factor of 40% should be applied to attribute expenditures and benefits to low-income.[17]

[16] Additional co-benefit metrics include job and training participants, and localized environmental and health impacts.

[17] For investments made to affordable multifamily projects outside of designated census tracks, Program Administrators are to apply the proxy 40% at the portfolio level, allowing for 40% of those investments to count towards the compliance metric. Program Administrators may not deviate away from New York State thresholds for identifying applicable percentage allocations within affordable housing projects that occur outside of designated census tracks. New York State identified the 40% demarcation at the State level, following analysis by NYS Housing and Community Renewal (HCR) and New York City Housing

- Program Administrators should identify which low-income investments are located within Disadvantaged Communities, and which are located outside of Disadvantaged Communities.[18]

Portfolio Specific Reporting Guidance

Clean Energy Fund/NE:NY Portfolio Guidance.

Please see existing Clean Energy Guidance Documents for applicable reporting directives.[19]

NY Sun

NY Sun has various components that have dedicated benefits towards Disadvantaged Communities as identified within the NY-Sun Operating Plan.[20] For the purpose of reporting co-benefits of investments and benefits to Disadvantaged Communities, the Metrics Template in Appendix A identifies the format such reporting should follow. Consistent with other programs, financial incentives towards Programs will be accounted for within the Funding tab of the Metrics Template. For Community Solar projects, the Metrics Template will identify the allocation to DAC subscribers will be reported for each community solar project.

Electric Vehicle (EV) Equipment and Infrastructure

The Commission has required a specific portion of funding in the EV Make Ready Program to benefit Disadvantaged Communities.[21] Further, the tiered incentive structure encourages projects service residents of Disadvantaged Communities by being located within a radius of 0-2 miles of a designated Disadvantaged Community census track as allowable by the Program's eligibility requirements.[22]

Currently, the Commission requires reporting of various infrastructure investments. Reporting of incurred funding investments towards incentives, infrastructure, and identification of spending within Disadvantaged Communities will follow the "Funding"

Preservation & Development Authority (HPD). This guidance will be updated if there are modifications to the Statewide factor.

[18] The "Geographic DAC" percentage column within the Funding Tab represents the percentage value (0-100%) based on the census tract, city/town, or county selected. Census tracts are either 100% or 0%. For data entered at the city/town/county level, the percentage of the geographical area that is a DAC is determined based on the proportion of that community's population that is in a DAC census tract. See the "DAC %" worksheet of the reporting Metrics Template for a list of census tracts and communities and their DAC percentages.

[19] https://dps.ny.gov/clean-energy-guidance-documents

[20] Case 21-E-0629, In the Matter of the Advancement of Distributed Solar, Order Adopting NY-Sun Mid-Program Modification, (issued and effective June 23, 2023).

[21] Case 18-E-0138 - Proceeding on Motion of the Commission Regarding Electric Vehicle Supply Equipment and Infrastructure, Order Approving Tariff Amendments (issued November 18, 2021) requires $206 million of total $701 million to benefit Disadvantaged Communities.

[22] Electric Vehicle "Make Ready" projects that are qualified as Disadvantaged Communities within the EV Infrastructure and Equipment Program eligibility requirements are to be classified as 100% within the Geographic Disadvantaged Communities category of eligible expenditures within the Funding tab of the Metric Template.

tab of the Metrics template. If there are no expenditures pertaining to the EV Infrastructure and Equipment Programs as of the time of the initial report, the Program Administrator may add additional details within an addendum to the Report identifying progress towards commitments. Additionally, metrics related to the quantity, types, and location of infrastructure will be reported. Applicable for Disadvantaged Community reporting, at this time data will be collected for the following charger types:

- Level 2
- DC Fast

Submission of the data should follow the templated illustration below. Information should be provided by charger type, by year, with the total spent in Disadvantaged Communities shown as total dollar expenditures occurring within Disadvantaged Communities. Whereas guidance applicable to other programs, discussed above, identifies that a percentage allocation be applied to calculate disadvantaged community allocation, for EV Infrastructure Programming, Program Administrators will report dollars. Reporting should follow the templated illustrations below:

DCFC Plugs										
Status	**Total Count**	**DAC Count**		**Status**	**Total Count**	**DAC Count**		**Status**	**Total Count**	**DAC Count**
Pre-application inquiries				Pre-application inquiries				Pre-application inquiries		
Application submitted				Application submitted				Application submitted		
Application approved				Application approved				Application approved		
Under construction				Under construction				Under construction		
Operating				Operating				Operating		
Total				Total				Total		
Application-Operating Subtotal				Application+ Total				Application+ Total		
Approved-Operating Subtotal				Approved+ Total				Approved+ Total		
L2 Plugs										
Status	**Total Count**	**DAC Count**		**Status**	**Total Count**	**DAC Count**		**Status**	**Total Count**	**DAC Count**
Pre-application inquiries				Pre-application inquiries				Pre-application inquiries		
Application submitted				Application submitted				Application submitted		
Application approved				Application approved				Application approved		
Under construction				Under construction				Under construction		
Operating				Operating				Operating		
Total				Total				Total		
Application-Operating Subtotal				Application+ Total				Application+ Total		
Approved-Operating Subtotal				Approved+ Total				Approved+ Total		

Energy Affordability Program:

The Disadvantaged Communities Criteria, as adopted by the CJWG, includes a low-income household's criterion where clean energy and/or energy efficiency investments made towards applicable households, or who are otherwise categorically eligible for low-income programs, should be counted solely for the purposes of reporting on investments and benefits to Disadvantaged Communities. The Commission's Energy Affordability Program (EAP) provides customer bill credits to eligible residential customer accounts.[23] Each utility will report bill credit expenditures made to EAP recipients located in Disadvantaged Communities, as well as outside of Disadvantaged Communities within this report. The Metric Template includes designed data fields to identify EAP benefit expenditures located within census tracts that are designated as Disadvantaged Communities, which will facilitate visibility to the level of EAP participation within designated census tracks compared to low-income customers.

Program Administrator Reporting Schedule:

The Commission's Order Directing Proposals requires Program Administrators to file annual reports on investments and benefits in Disadvantaged Communities, requiring the initial report to be filed no later than December 31, 2023, followed by reports filed annually thereafter in compliance with Department issued Guidance.

The initial report will include progress from the commencement of CLCPA, January 1, 2020, through year-end 2022. Per the discretion provided in the Order Direct Proposals, Program Administrators shall submit the initial report by November 15, 2023 to facilitate Staff's obligation to review the Metrics templates for accuracy and completeness, allowing time for resubmissions if necessary. Should resubmissions be necessary, Staff will work with individual Program Administrators to identify corrections and refiling, with the intention that any subsequent filings are receiving before the Commission's December 31, 2023, deadline.

Following the initial report, an annual reporting cadence will begin. In Order to facilitate Staff's review and analysis of Program Administrators performance submissions, it will be necessary for compliance filings to be made in advance of CLCPA annual reporting, to facilitate the Department's obligations. To facilitate the Department's responsibilities, Program Administrators are directed to provide Staff the required dataset annually, by March 15 of each year. Staff will review and audit the datasets that comprise the report to compare against corresponding reporting for quality control assurances. Should there be discrepancies, Staff will work individually with each Program Administrator to refile updated data, as needed and appropriate.

[23] Case 14-M-0465 - Proceeding on Motion of the Commission to Examine Programs to Address Energy Affordability for Low Income Utility Customers.

A. Material Changes:

Material Change is defined CE:11. In the case of annual reporting on Disadvantaged Communities, Program Administrators should refile the Disadvantaged Communities Metric template within DMM. However, for errors that are discovered after the annual reporting cycle is completed, Program Administrators are to refile corrections upon discovery, but Staff would anticipate updates to historical reporting to be incorporated in the following years' reporting.

Appendix A: Disadvantaged Communities Metrics Reporting Template

The Disadvantaged Communities Metrics Reporting Template will be provided in Excel to Program Administrators. The below tables are illustrative examples of the Metrics and Fields that will be collected through the Metrics Reporting Template. Additional directions on how to utilize and implement the Metrics Template will be provided within the Metric Template.

Program Information: All Programs

Program Administrator	Funding Source	Program Name	Primary End-Use Sector	Program Description

Funding: All Programs

Program Administrator	Funding Source	Program Name	Reporting Year	Census Tract or City/Town/Village/ County Name	Funds Expended ($)	Low-Income Recipients Percentage	Geographic DAC Percentage	DAC/Low-Income Funding

Energy Metrics: Energy efficiency, Building Electrification, Customer-Sited Renewable Energy Programs

Program Administrator	Funding Source	Program Name	Reporting Year	Census Tract or City/Town/Village/ County Name	Energy Metric	Value	Effective Useful Life years	Low-Income Recipients	Geographic DAC Percentage

Community Solar: Energy and Participation Metrics

Program Administrator	Funding Source	Program Name	Reporting Year	Census Tract of Project Site	Funding	RE MW	RE MWh	% Allocation to DAC subscribers