

Date: December 4, 2014

Subject: Green Jobs-Green New York Financing Transition

Green Jobs-Green New York (GJGNY) Transition

NYSERDA greatly values your participation in our programs and appreciates your partnership in building the market for energy efficiency and/or solar power in New York State.

Since the launch of GJGNY programs in the Fall of 2010, the clean energy market has continued to grow and mature throughout the State. NYSERDA has supported the completion of over 62,000 residential energy efficiency audits and over 24,000 energy efficiency projects. In addition, solar PV has made significant gains, especially since the establishment of the NY-Sun Initiative.

As a result of this market growth, private sector options for customers to invest in and finance clean energy solutions have increased. With this progress, NYSERDA is making changes to GJGNY in order to 1) better focus state resources on underserved areas of the clean energy market, including low- to moderate-income (LMI) households and economically distressed communities, and 2) avoid directly competing with newly emerging and growing private sector solutions.

NYSERDA intends to make the following changes to its GJGNY energy efficiency and solar financing programs:

- Financing will continue to be offered to LMI customers (those with household income less than or equal to 80% of the area median income) for energy efficiency and solar loans on the current terms (3.49%, terms up to 15 years, Smart Energy or OBR loans).
- Effective July 1, 2015, assuming at least two third-party loan products are available for market rate customers, GJGNY residential energy efficiency and solar thermal loans (including On-Bill Recovery (OBR)) will be limited to LMI.
- Effective April 1, 2015 GJGNY residential solar PV loan applications will be limited to LMI customers.
- Effective January 2, 2015 GJGNY loans for multifamily properties will no longer be provided.
- Effective April 1, 2015 GJGNY loans for small businesses and nonprofits will no longer be provided.
- NYSERDA will facilitate the introduction of new financing products to our partners through written material and webinars conducted by the lenders.

NYSERDA will also launch the following strategies and initiatives to continue supporting the increase in market-wide penetration of energy efficiency and renewable energy:

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- Starting this week, Community Solar NY will offer “solarize” grants to community groups and organizations to support the aggregation of residential solar projects; these grants will drive down customer acquisition and other soft costs to enable a greater number of households across the state to take advantage of the benefits of solar power.
- Starting in mid-2015, the NY-Sun Initiative will pilot various strategies to support solar in LMI communities.
- NYSERDA will pursue and support adoption of “open source” OBR programs (where financing is made available by private capital providers), through anticipated legislative action.

A vibrant clean energy marketplace is defined by its competitiveness. Fortunately, New York is making great strides to accelerate and expand private investments in the clean energy economy, to support and attract new business models and market participants, and to continue focusing public resources on underserved areas of the market. We look forward to continuing to partner with you as NYSERDA works to significantly build scale in energy efficiency and solar markets. Please watch for additional information regarding the new financing options, and in the meantime, if you have any questions, please contact Karen Hamilton at karen.hamilton@nyserda.ny.gov or John Ahearn at john.ahearn@nyserda.ny.gov.