

STATE OF NEW YORK

Public Service Commission

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PSC FUNDS CLEAN ENERGY WORKFORCE DEVELOPMENT

— Economically Disadvantaged Workers Assisted, New Efficiency Programs Created —

Albany, NY—06/18/09—The New York State Public Service Commission (Commission) today authorized \$6.6 million in funding for New York State Energy Research and Development Authority (NYSERDA)'s workforce development initiatives related to energy efficiency programs.

“There is a significant need for workforce training in New York to meet our ambitious energy efficiency targets,” said Commission Chairman Garry Brown. “With this funding, NYSERDA will provide comprehensive training programs for energy efficiency contractors and professionals, including internships and apprenticeships, and will assist in curriculum development for continuing education and the development of national certification and standards. This initiative will improve New York’s energy efficiency and speed the creation of a clean-energy economy.”

In regards to workforce training, NYSERDA currently provides training largely on a per-program basis, and training funds are contained within efficiency program budgets. The need for an increase in workforce development funds is a direct result of the ongoing and rapid expansion of energy efficiency programs across New York.

As part of the workforce training initiative, NYSERDA will collaborate with New York State Department of Labor’s One-Stop Workforce Development System which targets workers to participate in training and certification programs. Those programs focus on training in skills

necessary for entry-level employment in the energy efficiency sector and are directed toward individuals in economically and environmentally disadvantaged communities.

The Commission determined that because of the rapid expansion of efficiency programs as a result of previous Commission orders and the federal American Recovery and Reinvestment Act of 2009 (ARRA) — an expansion amply justified by the economic and environmental benefits that it will produce — additional assistance was required to overcome barriers to workforce training in a timely manner that will allow the Commission's efficiency targets to be met in a cost-effective way. Rapid deployment of training resources is necessary to enable the successful and timely implementation of investments in energy efficiency being approved by the Commission.

Studies have also identified numerous barriers to the rapid enhancement of a skilled workforce. These barriers include: the cost of training; lost-opportunity costs of time committed to training; wages paid to workers while being trained; availability of training infrastructure; cost of tools; and lack of basic skills training to prepare workers for technical training. The Commission's action today will help to lower those barriers.

Investments in workforce development will contribute toward achieving New York's energy efficiency goals and minimize the inefficient use of public resources. It will also mitigate bottlenecks that might present a barrier to accomplishing our energy efficiency targets. The one-year funding agreement provided by the Commission should be sufficient until anticipated federal workforce training and energy efficiency training funds become available.

An assessment performed by the Department of Labor found that with current resources there would be shortages of specially trained workers in the majority of occupations in the energy efficiency sector. In particular, the Department of Labor identified potential shortages of electricians, plumbers, pipe fitters and steam fitters, and HVAC and refrigeration mechanics and installers, trained to implement energy efficiency programs.

In related energy-efficiency matters, the Commission approved two new electric energy efficiency initiatives designed to serve the multifamily building market segment. They consist of a \$2.3 million geothermal heat pump systems initiative as an additional element of the NYSERDA Multifamily Performance Program and a new \$13.2 million electric reduction in master-metered multifamily buildings program. The programs are to be administered by NYSERDA.

The purpose of the geothermal heat pump initiative for multifamily buildings is to encourage the installation of highly efficient heating, cooling, and summer hot water heating systems using an exterior ground loop in which is circulated a liquid medium that takes advantage of the thermal properties of the earth to both provide and store heat energy. The purpose of the master-metered buildings program is to encourage sub metering (which produces significant energy savings as a result of the information customers gain, and their payment obligation for, their individual energy usage) and the installation of energy efficient appliances.

The Commission will be considering other energy efficiency programs sometime in the future directed at specific market segments designed to achieve the State's and the Commission's energy efficiency objectives.

The Commission's decision today, when issued, may be obtained by going to the Commission Documents section of the Commission's Web site at www.dps.state.ny.us and entering Case Numbers 07-M-0548 and 08-E-1132 in the input box labeled "Search for Case/Matter Number." Many libraries offer free Internet access. Commission orders may also be obtained from the Commission's Files Office, 14th floor, Three Empire State Plaza, Albany, NY 12223 (518-474-2500).