



Cuomo reforms energy and utility industry

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According to governor Andrew Cuomo, new reforms have been made to the energy and utility industry, requiring the integration of energy efficiency, solar, wind, and other clean energy technologies onto the grid in order to reduce energy bills and give customers more control over their energy use. These innovative developments are part of the governor's Reforming the Energy Vision plan, a comprehensive strategy to provide cleaner, more affordable and reliable energy for all New Yorkers.

"A 21st century economy needs a 21st century power grid, and these reforms will ensure New Yorkers get the best possible service from their utilities while improving the statewide economy," said Cuomo. "This state is in need of a modern and efficient energy system, and we are proud to take the steps to build a sustainable way to deliver energy to every home in New York."

The nation's electric system has remained largely unchanged since Thomas Edison developed the country's first power grid in Lower Manhattan in 1884. The changes announced today will require utilities to coordinate and partner with other companies and entrepreneurs to provide clean, local, energy services and solutions to customers.

This will improve and enable:

Competition: By restricting utilities from owning local power generation and other energy resources, customers will benefit from a more competitive market, with utilities working and partnering with other companies and service providers.

Consumer Protection: Establishing expanded outreach and consumer protections will benefit low- and moderate-income customers and promote greater transparency and community engagement.

Energy Efficiency: Requiring utilities to improve their ongoing energy efficiency programs will reduce customer energy bills and curb statewide greenhouse gas emissions.

A number of critical issues drive the need to reform New York's electricity market, including the fact that approximately \$30 billion will be paid for entirely by New York's electric customers will need to be spent over the next decade to maintain the electric grid as it currently exists, compared with \$17 billion over the past 10 years. Further, as extreme weather events continue to affect communities across our state, it is becoming increasingly clear that meaningful action to mitigate and adapt to climate change is a necessary policy for any responsible state government.

Richard Kauffman, who as Chairman of Energy & Finance for New York leads the Reforming the Energy Vision strategy on behalf of the Governor, said, "Today we've made it possible for New York State to capture the tremendous economic and environmental benefits new clean energy innovation and investments can provide. By requiring utilities to modernize their business models and meet evolving customer demands, New York is committed to forging a new path to develop a dynamic, customer-oriented power grid able to drive clean energy markets to scale."

Audrey Zibelman, State Public Service Commission Chair, said, "The landmark steps New York State is taking today will reorient both the electric industry and the ratemaking process toward a consumer-centered approach that harnesses new technologies and markets. Just as the Internet revolutionized the communication, retail and media industries, so too will a modernized regulatory and delivery system for electricity give consumers maximum value for their energy dollar. With our action, we set the framework of unleashing innovation throughout the industry that will support a consumer-driven power system that meets the economic and environmental needs of New York."

There are hundreds of technology innovators and third-party companies in New York, such as energy services, retail suppliers and demand-management, which are all poised to help reduce energy bills by giving customers greater control of how much power they consume and where the power comes from. With today's decision, these companies will develop products and services that enable full customer engagement.

To meet customer needs, utilities will work with clean energy providers to bring new clean technology innovation onto the power grid, ensuring all customers receive secure, reliable and cost-effective power.

The fundamental regulatory reforms taking place were shaped in large part by direct participation and comments of more than 1,000 New Yorkers, including numerous State and local lawmakers, community and advocacy organizations. The steps taken today are consistent with the draft State Energy Plan, which calls for the use of markets and reformed regulatory techniques in order to achieve increased system efficiency, carbon reductions, and customer empowerment.

Under Governor Cuomo's strategic Reforming the Energy Vision initiative, New York State is actively spurring clean energy innovation, bringing in new investments, improving consumer choice while protecting the environment and energizing New York's economy at the state and local levels. By unleashing innovation, New York is pioneering a new statewide approach, giving customers new opportunities for energy savings, local power generation, and enhanced reliability to provide safe, clean, and affordable electric service for all customers. By unleashing markets, through statewide initiatives such as the Clean Energy Fund and \$1 billion NY Green Bank, New York is moving to diversify its support of the clean energy industry to address market barriers and attract private capital necessary to achieve the State's economic development and environmental objectives. By empowering communities and creating jobs through programs like Community Solar NY and K-Solar for schools, the \$40 million NY-Prize competition for community microgrids and the \$1 billion NY-Sun Initiative, New York is leveraging the power of its state institutions and government agencies to integrate local energy resources and meet the needs of New York's communities.

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