



NYSERDA and Con Ed launch Business Energy Pro

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Albany, NY NYSERDA and Con Edison have partnered to begin a pay-for-performance pilot program that will leverage Con Edison's smart meter technology to measure energy efficiency savings at small and medium-sized businesses in Staten Island and Westchester County and reward the providers based on those measurements. The program, Business Energy Pro, supports the NYS Climate Leadership and Community Protection Act – an ambitious climate and clean energy legislation in the nation – mandate for 100% clean electricity by 2040 and economy-wide carbon-neutrality.

Janet Joseph, senior vice president of strategy and market development, NYSERDA said, "The partnership announced today between NYSERDA and Con Edison represents another step forward in the state's comprehensive approach to reduce energy consumption and greenhouse gas emissions in support of New York's aggressive clean energy goals under Governor Cuomo's leadership. The Business Energy Pro pilot will provide businesses with greater access to energy efficient services and solutions that will lower their costs while helping to reduce state's carbon footprint."

"We support the state's environmental goals and want to be a leader in finding new approaches to create the clean energy future those goals envision," said Matthew Ketschke, Con Edison's senior vice president, Customer Energy Solutions. "This pilot will help businesses reduce their energy usage and help keep our region clean and sustainable. We think this program can help us build on the success we have had with our energy efficiency programs the last decade."

Under the program, NYSERDA and Con Edison will work with energy efficiency service providers to seek out small and medium-sized businesses and offer energy-savings packages that could include lighting, heating, cooling, refrigeration and building control systems. For energy efficiency providers, Business Energy Pro will provide flexibility, minimizes transaction and administrative costs, and supports innovative solutions and services. The providers will receive payments based on the energy savings that are confirmed by the customers' smart meters.

Pay-for-performance models have begun to emerge nationally with significant potential benefits to customers, energy efficiency service providers and utilities. The pay-for-performance model differs from more traditional energy efficiency incentive programs that provide rebates to business customers based on the type of upgrades installed, rather than on the actual savings. The pay-for-performance model in Business Energy Pro is intended to incent energy efficiency service providers and customers to choose comprehensive packages of energy efficiency upgrades.

NYSERDA will make available approximately \$10 million from the Clean Energy Fund for the program under which competitively selected energy efficiency service providers will be paid for demonstrated energy savings from small-to-medium businesses who implement energy efficiency projects. Given the current natural gas constraint in parts of Westchester County, Business Energy Pro places special emphasis on gas reductions by offering increased incentives during the peak winter months in this area.

Business Energy Pro will target approximately 60,000 Con Edison small and medium-sized business customers in Staten Island and Westchester County, the areas where Con Edison first began to install smart meters.

NYSERDA anticipates using data and experience from the program to design pay-for-performance energy efficiency programs for residential and commercial customers in other parts of the state with the potential to inform longer-term strategies statewide.

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