Utility 2.0 Long Range Plan and Building Efficiency & Electrification Plan

Prepared for Long Island Power Authority

July 1, 2025

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2025 Utility 2.0 Plan Annual Filing and Building Efficiency & Electrification Plan

PSEG Long Island (the Utility) is submitting this Utility 2.0 Long Range Plan (Utility 2.0 Plan) and Building Efficiency & Electrification (BEE) Plan, formerly known as the Energy Efficiency (EE) Plan, for review by the Long Island Power Authority (LIPA) and the New York State Department of Public Service (DPS). This submittal is in accordance with Public Authorities Law Section 1020-f (ee) and the Amended and Restated Operations Services Agreement dated December 31, 2013, as updated in the Second Amended & Restated Operations Services Agreement on December 15, 2021 (herein after referred to as the Second A&R OSA).

This Utility 2.0 Plan provides updates on five active Utility 2.0 initiatives previously reviewed by the DPS and approved by the LIPA Board of Trustees, as well as a proposal for one new Utility 2.0 initiative, the Non-Wires Alternative (NWA) Retail Energy Storage Evaluation. PSEG Long Island seeks a positive recommendation on the 2025 Utility 2.0 Plan from the DPS and 2026 funding approval for previously approved, currently active, and proposed Utility 2.0 initiatives from LIPA.

This Utility 2.0 Plan also includes PSEG Long Island's Building Efficiency & Electrification (BEE) Plan (included as **Chapter 2**). PSEG Long Island's BEE programs make a wide selection of incentives, rebates, and programs available to residential and commercial customers on Long Island and the Rockaways to assist them in reducing their energy usage, thereby lowering their energy bills.

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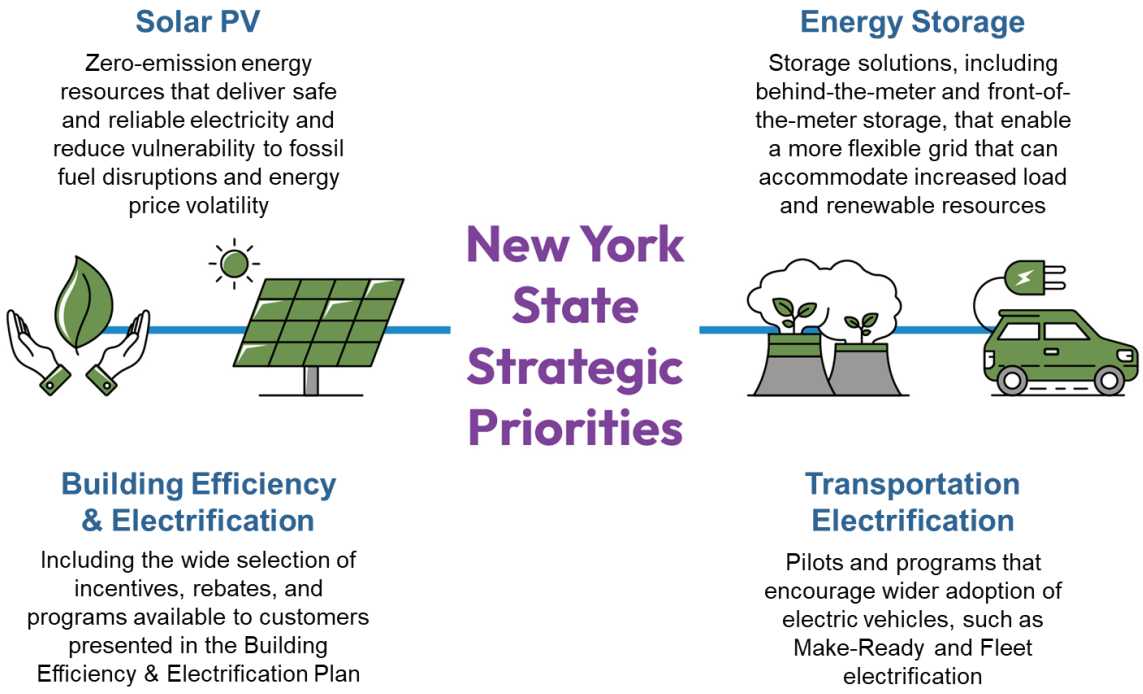
PSEG Long Island's Utility 2.0 Vision

New York State (NYS) and Long Island are committed to leading the country in transforming the energy system, decarbonizing the economy, as well as supporting disadvantaged communities (DACs) and low-to-moderate (LMI) income customers. NYS and Long Island also maintain a focus on energy affordability and align with the priorities identified in the New York State Climate Leadership and Community Protection Act (Climate Act or CLCPA). **Figure ES-1** details New York State's strategic priority areas.[1]

Figure ES-1. New York State 2025 Strategic Priorities and PSEG Long Island's Utility 2.0 & BEE Plan



Long Island Supports the Achievement of Statewide Clean Energy Goals

PSEG Long Island and LIPA, with guidance from the DPS, collaborate extensively to advance the state's clean energy objectives as outlined in the Climate Act to transform Long Island's energy landscape, reduce reliance on fossil fuels, and support DAC and LMI customers in accessing clean energy solutions. Throughout this year's filing compilation process, PSEG Long Island and LIPA reviewed opportunities to align with New York State

[1] Energy Efficiency and Heat Pumps are combined under Building Efficiency & Electrification in the structure of this year's Plan due to the dependencies across these priority areas.

energy efficiency and weatherization efforts, expand heat pump adoption, increase electric vehicle (EV) infrastructure, and advance adoption of distributed energy resources (DERs) across Long Island's residential, commercial, and industrial sectors. The teams also identified opportunities to strengthen program processes, leverage stakeholder partnerships, and utilize data-driven insights to enhance program effectiveness and customer communication.

As will be detailed in subsequent chapters, the Utility 2.0 initiatives directly contribute to New York State's strategic priorities. PSEG Long Island also has several long running programs and customer offerings that contribute to energy efficiency (EE) and heat pump targets and projections, which are described in the BEE Plan (**Chapter 2**). Additionally, LIPA and PSEG Long Island are supporting state clean energy goals in several ways that extend beyond the initiatives in the Utility 2.0 and BEE Plans (**Section 1.3.2**).

PSEG Long Island's Utility 2.0 Plan and BEE Plan

2025 Utility 2.0 Plan

PSEG Long Island's 2025 Utility 2.0 Plan (detailed in **Chapters 3 through 5**) features a review of Utility 2.0 project accomplishments to date along with a one-year outlook on the five previously approved and currently active programs and a proposal request for an NWA Retail Energy Storage Evaluation project. PSEG Long Island uses a variety of qualitative criteria to determine the most suitable projects to fund through Utility 2.0 including but not limited to: (1) New York State priorities (2) LIPA priorities (3) OSA Commitments and metrics; and (4) Similar projects across the Joint Utilities (JU).[2]

2026 Building Efficiency & Electrification (BEE) Plan

PSEG Long Island's BEE programs provide a wide array of incentives and rebates to assist residential, including LMI, and commercial/industrial customers in reducing their energy usage (*see* **Chapter 2**). On May 15th, 2025, the Public Service Commission (PSC) Orders Authorizing LMI and Non-LMI Energy Efficiency and Building Electrification Portfolios for 2026 through 2030 were issued.[3] In light of these Orders, PSEG Long Island has revisited all of its program offerings and aligned its 2026 BEE Plan to these PSC Orders within the available budget. The BEE Plan focuses on moving the portfolio more towards an efficiency first effort, while continuing to focus on strategic building electrification measures, such as heat pumps. PSEG Long Island looks forward to working with other New York State utilities

[2] Participant utilities of the JU include Consolidated Edison Company of New York, Inc., Orange and Rockland Utilities, Inc., Central Hudson Gas & Electric Corporation, Niagara Mohawk Power Corporation d/b/a National Grid, New York State Electric and Gas Corporation, and Rochester Gas & Electric Corporation. (*See* **Appendix E** for URL address).
[3] See PSC Cases 25-M-0248 and 25-M-0249. (*See* **Appendix E** for URL addresses).

and external stakeholders, such as the New York State Energy Research and Development Authority (NYSERDA), to further enable energy affordability and enhance customer experience for all customers. The Utility's BEE Plan also outlines how EE and building electrification measures will benefit DACs and LMI customers through strategic program delivery and incentive mechanisms.

Utility 2.0 Plan and BEE Plan Funding Requests

In recognition of the need to continue to keep customer affordability at the forefront of PSEG Long Island's priorities, the proposed 2026 budget of $111.72 million (for both the Utility 2.0 and BEE Programs) was carefully reviewed and aligns with regulatory guidance, resulting in a proposed budget request that is approximately $28 million lower than what was forecasted for 2026 in the 2024 Utility 2.0 Plan. The Utility 2.0 Plan funding requests are detailed in **Chapters 3 through 5**, while the BEE Plan funding requests are covered in **Chapter 2**. It is important to note that the programs presented in the BEE Plan are funded outside of the Utility 2.0 Program. As a result, the 2026 funding requests for the Utility 2.0 Plan and the BEE Plan will be presented separately throughout this document. PSEG Long Island requests a total Utility 2.0 Program budget of $9.69 million in capital expenditures and $13.70 million in operations and maintenance (O&M) expense and a total Building Efficiency & Electrification Plan budget of $88.33 million.[4]

Funding request values presented throughout this document are subject to change, pending the results of ongoing discussions with LIPA regarding the proposed 2026 budget. Any budget adjustments made to initiatives after the initial Utility 2.0 Plan submission and prior to Q4 2025 will be provided to the DPS through an amendment submission. The proposed funding request presented in **Table ES-1** and throughout **Chapters 2 through 5** represent the funding required to maintain PSEG Long Island's Utility 2.0 portfolio in a manner that best aligns with the priorities of New York State while adhering to budgetary guidance provided by LIPA. Full details on projects costs and variances by year can be found in **Chapter 6** with project-specific details in the sections identified in **Table ES-1**.[5]

Proposed programs within the BEE Plan, associated savings (MMBtu; MWh), and budgets are summarized in **Table ES-2**. PSEG Long Island's BEE Plan consists of various programs serving different customer segments: Residential, Commercial, and Multi-family. The BEE portfolio also provides the funding to support the tariff-based Dynamic Load Management (DLM) offerings (now included as a part of **Chapter 4**) and the New York State Homes and Community Renewal (HCR) Program, which is discussed briefly in **Chapter 2**. PSEG Long

[4] Funding request values are subject to change, pending the results of discussions with LIPA on the proposed 2026 budgets. Note that all BEE Program funding is O&M expense.
[5] Budgetary values are rounded to the hundredths decimal place

Island's BEE Plan further identifies opportunities to advance energy affordability for LMI customers and DACs by providing enhanced incentives and DAC bonuses. This includes heat pump rebates and programmatic changes designed to enhance the Residential Space Heating, Residential Water Heating, Residential Building Envelope, and Residential Income-qualified (currently known as REAP) programs, totaling $24.97 million[6] in projected spend in 2026 as shown in **Table ES-3**.

Table ES-1. 2026 Total Utility 2.0 Program Funding Request

Initiative	Document Section	Capital	O&M	Total
		2026 ($M)[7]	2026 ($M)	2026 ($M)
Connected Buildings Pilot	**4.2.2**	**–**	**–**	**–**
Electric Vehicle Programs[8]	**3.2.2**	**4.11**	**0.99**	**5.10**
Demand Charge Rebate		*–*	*0.15*	*0.15*
EV Phase-In Rate		*4.11*	*–*	*4.11*
Residential Charger Rebate Program		*–*	*0.59*	*0.59*
Make-Ready Programs	**3.2.1**	**2.88**	**12.31**	**15.19**
EV Make-Ready Program		*1.08*	*11.04*	*12.11*
Fleet Make-Ready Program		*1.81*	*1.28*	*3.08*
IEDR Platform	**5.1**	**2.70**	**0.30**	**3.00**
NWA Retail Energy Storage	**4.2.1**	**–**	**0.10**	**0.10**
Suffolk County Bus Make-Ready Pilot	**3.2.3**	**–**	**–**	**–**
Total Utility 2.0 Programs		**9.69**	**13.70**	**23.39**
Total BEE Programs		**–**	**88.33**	**88.33**
Total Utility 2.0 and BEE		**9.69**	**102.03**	**111.72**

[6] DAC spend and enhancements for Transportation Electrification Programs are not included in this figure.
[7] A portion of the Capital Requests for 2026 is attributed to Capital Expenditure for Utility 2.0 Project Management Office (PMO) Support for the Make-Ready Programs, EV Programs, and IEDR Platform.
[8] Marketing and Outreach for the Electrical Vehicle Program is all encompassing. The Marketing and Outreach is included in the Overall O&M Total for the Electric Vehicle Program, but it is not allocated to a specific sub-project within the Electric Vehicle Program. Thus, the Electric Vehicle Programs O&M Totals do not equal the sum of the sub-project O&M Totals.

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Table ES-2. PSEG Long Island's 2026 BEE Portfolio aligned to LMI and Non-LMI PSC Orders

Program	Annual Savings (MWh)	Annual Savings (MMBtu)	Lifetime Savings (LMMBtu-e)	Program Budget ($M)
Residential Space Heating	6,438	235,687	5,426,343	26.18
Residential Water Heating	244	10,571	211,430	1.40
Residential Building Envelope	1,581	22,133	530,804	10.71
Residential Efficient Products	3,858	114,690	1,257,604	2.11
Residential Income-qualified (REAP)	689	11,187	132,252	–
Commercial	21,889	89,285	1,343,684	8.75
Multi-Family	1,050	35,869	824,980	2.89
NYS Home and Community Renewal (HCR)	–	–	–	2.43
Total, Budget Components with Programmatic Savings	**35,750**	**519,422**	**9,727,097**	**54.47**[9]
Engineering Consultant	–	–	–	–
DLM Tariff	–	–	–	–
Evaluation	–	–	–	–
G&A	–	–	–	–
Labor	–	–	–	–
Advertising	–	–	–	–
Implementation Services Fee	–	–	–	–
Total Other Budget Components Not Associated with Programmatic Savings[10]	**–**	**–**	**–**	**–**
Total BEE Funding Request[11]	**35,750**	**519,422**	**9,727,097**	**88.33**

[9] Reflects budget for rebates and incentives for the BEE programs.
[10] A solicitation is currently open for the BEE Implementation Services Contract and pricing for the other budget components not associated with programmatic savings will be confirmed upon final contract award.
[11] In addition to supporting the BEE programs, this budget supports the EE Department and includes budgets for the DLM Tariff Program, Utility 2.0 support provided by Guidehouse, and Labor/G&A/Evaluation supporting other groups within the department.

LMI-eligible customer goals for programs within the BEE plan are extracted out from the table above and are shown in **Table ES-3** below.

Table ES-3. 2026 Income-Qualified Customer Goals for BEE Programs

Program & Measure	Savings (MMBtu)	Participation (Units)	Participation (Dwellings)	Rebates & Incentives Budget ($M)
Residential Space Heating – LMI	**58,101**	**–**	**1,112**	**11.37**
Whole-House ASHPs	*57,787*	*–*	*1,105*	*11.32*
Air to Water HPs	*220*	*–*	*5*	*0.03*
Ground Source HPs	*94*	*–*	*2*	*0.02*
Residential Water Heating – LMI	**2,497**	**226**	**–**	**0.41**
Heat Pump Water Heaters	*2,494*	*225*	*–*	*0.41*
Ground Source HPWH	*3*	*1*	*–*	*0.002*
Residential Building Envelope – LMI	**12,316**	**907**	**–**	**7.46**
Residential Weatherization	*12,290*	*900*	*–*	*7.43*
Residential Windows	*25*	*7*	*–*	*0.03*
Residential Income-qualified (REAP)	**11,187**	**19,215**	**–**	**3.30**
NYS Homes and Community Renewal (HCR)	**–**	**–**	**–**	**2.43**
Total	**84,101**	**20,348**	**1,112**	**24.97**

2030 Outlooks

In the 2024 Utility 2.0 Plan, PSEG Long Island included Five-Year Plans for each of the New York State priority areas: Energy Efficiency, Heat Pumps, Transportation Electrification, Energy Storage, and Solar PV. Each Five-Year Plan presented PSEG Long Island's current state (2025) and future outlook (2026 through 2030), detailing milestones of achievement and growth within Utility 2.0 initiatives, as applicable. The Five-Year Plans provided insight into the Utility's 2025 targeted and 2030 projected achievement of and program contributions to its share of the CLCPA goals.

In this year's Utility 2.0 Plan, PSEG Long Island presents a summary outlook (through 2030)[12] describing how ongoing developments and Utility 2.0 initiatives leverage the Five-

[12] Please refer to **Section 2.6** for more information on the Building Efficiency and Electrification 2030 Outlook.

Year Plans. These outlooks reflect PSEG Long Island's current vision.[13] It is worthwhile noting that due to additional filings from the JU resulting from the May 15th, 2025, PSC Orders that will be submitted after this Utility 2.0 Plan, which may affect PSEG Long Island's programs beyond 2026, a summary outlook through 2030 for the BEE efforts is not included in this Plan.

Table ES-4 below provides an overview for planned initiatives and activities within the 2030 Outlooks. See **Section 3.3** for the Transportation Electrification outlook and **Section 4.3** for the Energy Storage and Solar PV outlook.

Table ES-4. Utility 2.0 Planned Initiatives through 2030

Priority Area	Document Section	Initiatives	Estimated Utility 2.0 / BEE Program Funding Required ($M)
Transportation Electrification	**3.3**	• Make-Ready Program • EV Program • Managed Charging Programs	~110
Energy Storage	**4.3**	• NWA Retail Energy Storage Evaluation	~4.10
Energy Storage	**4.3**	*Outside of Utility 2.0/BEE Plan:* • Residential Energy Storage System Incentive Program (BTM) • East Hampton & Montauk FTM Systems • Bulk Energy Storage System (BESS)	N/A
Solar PV	**4.3**	*Outside of Utility 2.0/BEE Plan.*	N/A

Structure of the Document

This annual update of the Utility 2.0 and BEE Plan includes reporting updates on scope, schedule, performance, and funding for previously approved and proposed initiatives as well as PSEG Long Island's 2025 accomplishments and 2030 outlooks related to the NYS clean energy objectives. Unless otherwise noted in this Plan, PSEG Long Island intends to deliver the scope of the approved initiatives within the overall approved funding and schedule.[14]

[13] Future targets and budgets may change due to evolving state priorities, market conditions, technology advancements, and customer adoption.
[14] The duration of the approved funding for each initiative will vary depending on when the initiative was originally filed and whether the schedule for the initiative has been subsequently updated to reflect a change in the end date. For clarity, the duration of each initiative has been noted separately and individually for each initiative in **Chapters 2 through 5**.

The updates to approved Utility 2.0 and BEE initiatives and the proposal for one new Utility 2.0 evaluation project are included in **Chapters 2 through 5**. Key figures across the Utility 2.0 portfolio are summarized in **Chapter 1**.

Overall, the 2025 Utility 2.0 Plan is organized as follows:

- **Chapter 1** outlines how PSEG Long Island continues to deliver on its evolving Utility 2.0 vision and strategy.
- **Chapters 2 through 5** describe the design, justification, and funding request for scope that will start in 2026 as well as, progress updates, performance reporting, and budget reconciliation for previously approved initiatives that are active in 2025.
- **Chapter 6** provides an overview of the Utility 2.0 portfolio benefits, spend, and budgets. This chapter also outlines the expected rate impacts from the overall portfolio.
- **Appendix A** contains a summary of PSEG Long Island's BCA Handbook.
- **Appendix B** provides a list of the operationalized and completed Utility 2.0 initiatives.
- **Appendix C** provides a summary LIPA and PSEG Long Island's respective organizations.
- **Appendix D** includes a listing of acronyms and abbreviations used in this document.
- **Appendix E** provides a citations list of the footnotes and URL addresses referenced within this document.

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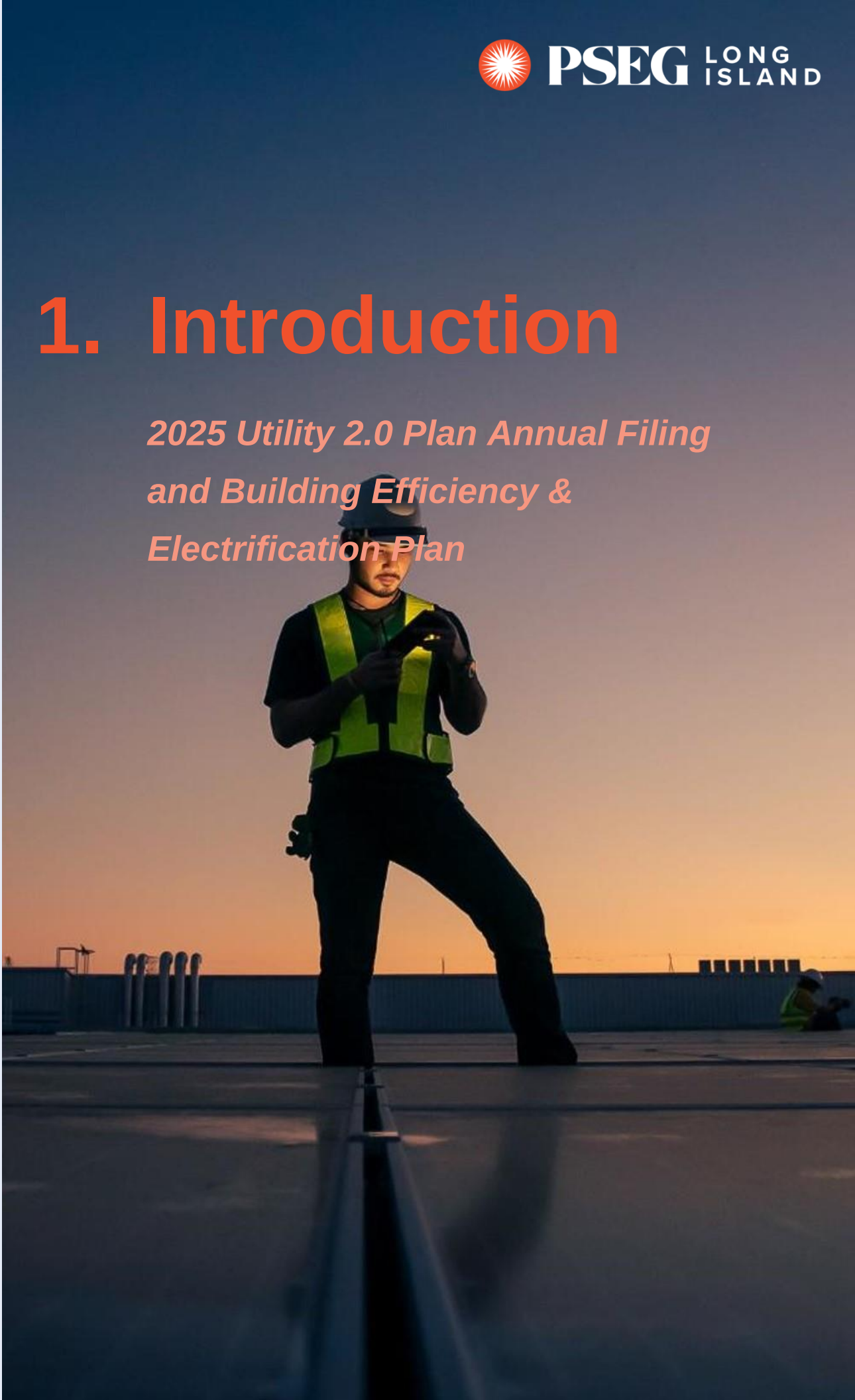
1. Introduction

2025 Utility 2.0 Plan Annual Filing and Building Efficiency & Electrification Plan



1. Introduction

1.1. PSEG Long Island's Utility 2.0 Vision

The global energy industry is actively undergoing a critical transformation that will impact customers and energy distribution systems. New York State and Long Island continue to stay committed to prioritizing goals and projects that support, and are responsive to, the dynamic changes taking place in the energy industry. July 2025 marks six years since New York State's Climate Leadership and Community Protection Act (Climate Act or CLCPA), one of the most ambitious climate laws in the world, was signed into law.[15]

As the State evaluates progress to date towards achieving CLCPA goals and plans for increasing targets over the next three decades, PSEG Long Island recognizes the need to maintain flexibility and adaptability in response to shifting priorities. This year's Utility 2.0 Plan is structured to directly align with the five statewide clean energy priorities: Building Efficiency and Electrification (**Chapter 2**), Transportation Electrification (**Chapter 3**), Demand Flexibility and DERs, including Energy Storage and Solar PV (**Chapter 4**). In addition, PSEG Long Island continues its efforts to align its Utility 2.0 Vision with its commitment to supporting statewide climate and energy affordability goals (**Figure 1-1**).

Figure 1-1. PSEG Long Island's Utility 2.0 Vision (Updated 2025)

PSEG Long Island's Utility 2.0 vision aims to support **statewide clean energy** goals by establishing and administering programs that directly support the advancement of Energy Efficiency, Heat Pumps, Transportation Electrification, Energy Storage, and Solar PV. In parallel, **PSEG Long Island is committed to energy affordability and high levels of customer satisfaction** for all customers and is focused on **ensuring the energy transition does not disproportionately impact income constrained households** through strategic program delivery and incentive mechanisms.

PSEG Long Island, in coordination with the DPS and LIPA, continuously pursues approaches to evolve its solutions and services to support its customers and their needs. Over the years, various Utility 2.0 projects and initiatives have transitioned into PSEG Long Island's core operations (*see* **Appendix B**). Successful integration of projects into PSEG Long Island's core operational activities makes way for the next evolution of Utility 2.0.

[15] New York's Climate Leadership and Community Protection Act (CLCPA or Climate Act). (*See* **Appendix E** for URL address).

1.2. Utility 2.0 Program Delivery

Program delivery of the annual Utility 2.0 Plan and BEE Plan is dependent not only on successful management of the annual Utility 2.0 Plan process, but also engagement with various stakeholders and PSEG Long Island's customers.

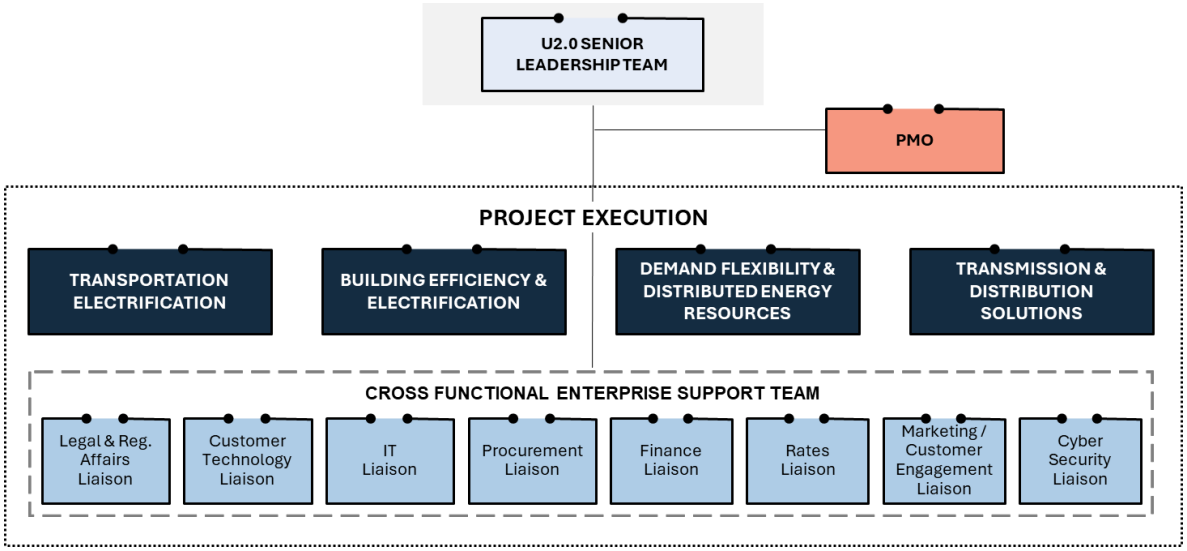
1.2.1. Managing the Utility 2.0 Program and Annual Filing Process

PSEG Long Island's vision is realized through an enterprise-wide program with a projected spend of approximately $111.72 million (when combining Capital and O&M) in 2026 for both the Utility 2.0 and BEE Programs. These initiatives span multiple functional groups with considerable departmental interdependencies and regulatory oversight while also impacting the organization, its processes, and technology systems (*see* **Section 1.3** for more details).

The Utility 2.0 Program is managed by a Project Management Office (PMO) that was established in 2020 and operationalized in 2023. The Utility 2.0 PMO develops the annual Utility 2.0 Plan, manages responses to interrogatory requests (IRs), and oversees the execution and reporting of approved projects. The PMO is responsible for internal and external Utility 2.0 reporting and conducting associated meetings with stakeholders including the DPS, LIPA, NYSERDA, and other interest groups.

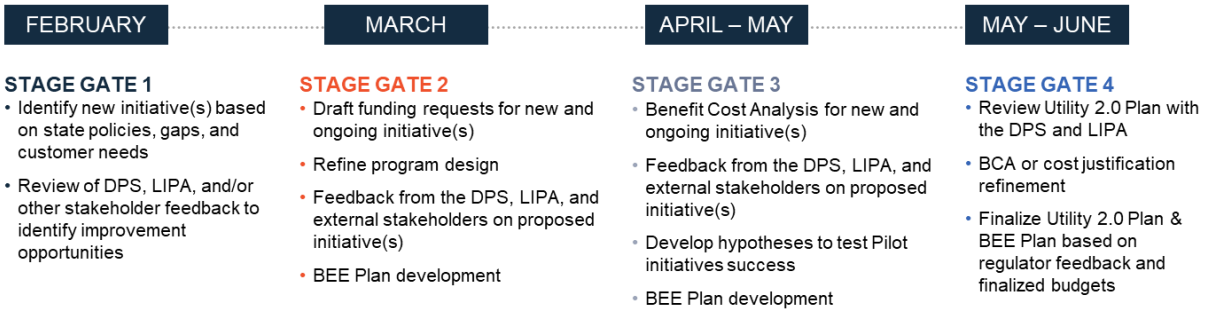
The Utility 2.0 portfolio of projects is overseen by a cross-functional Utility 2.0 Senior Leadership Team (SLT) that assists in the resolution of critical project issues and provides guidance so that projects meet defined goals and objectives within budget. Additionally, the Utility 2.0 SLT provides executive oversight on various projects and initiatives, enabling the exchange of information across Customer Service, Transmission and Distribution (T&D), and Information Technology (IT) teams, as well as other key stakeholders (**Figure 1-2**).

Figure 1-2. Utility 2.0 Governance Structure



With support from the PMO, and through the use of standardized PMO documentation and processes, the Utility 2.0 project teams are able to effectively develop scope, schedule, and budget updates and/or proposals for inclusion in the Utility 2.0 Plan.[16] To complete the Utility 2.0 Plan each year, the PSEG Long Island team employs a stage gate process with the DPS and LIPA to communicate proposed projects and provide updates on ongoing initiatives. Each initiative that is proposed in the annual Utility 2.0 Plan is presented to stakeholders for review at the stage gate meetings. Small group work sessions with stakeholders are conducted in-between stage gates to supplement development of initiatives. A summary of the stage gate process is provided in **Figure 1-3**.

Figure 1-3. Annual Utility 2.0 Plan Stage Gate Process



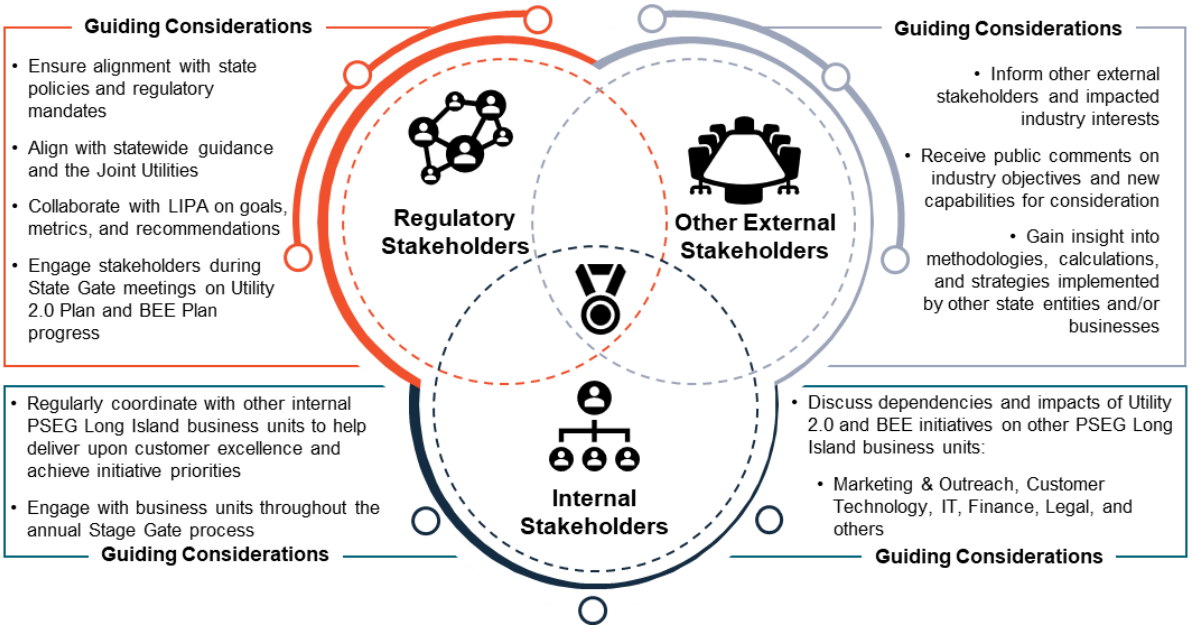
Throughout the Utility 2.0 portfolio, internal and external collaboration is key to program success (*see* **Figure 1-4**). The Utility 2.0 team fosters collaborative relationships with internal stakeholders and business units to design and implement programs that are a customer centric and seamlessly integrate work processes across departments. Collaboration across business units and project teams facilitate effective program delivery and prepares employees with the knowledge and skills needed to effectively support customer needs and consistently provide high-quality customer experiences. This collaborative approach allows Utility 2.0 programs to enhance customer satisfaction while efficiently utilizing internal resources.

During the stage gate process, the Utility 2.0 project teams engage closely with the DPS and LIPA by working in partnership to align the Plan with state regulatory mandates, clean energy policies, and arrive at a mutual understanding of proposed programs and budgets. Collaboration allows for the teams to address feedback, suggestions, and recommendations that inform the Utility 2.0 Plan. In some instances, the Utility 2.0 teams also engage with other external stakeholders, such as NYSERDA and industry experts. These stakeholders help to inform the Utility 2.0 team about industry interests, new capabilities, and/or

[16] Building Decarbonization and Envelope Improvements initiatives are managed and implemented outside of the Utility 2.0 Program and Delivering Benefits to DACs is addressed at a program-wide level.

technologies that the Utility should be aware of in respect to designing, implementing, and evolving Utility 2.0 and BEE projects and programs.

Figure 1-4. Guiding Considerations for Utility 2.0 Plan Stakeholder Engagement



1.2.2. Engaging Customers in Utility 2.0 Initiatives

Utility 2.0 customer engagement efforts begin with a customer-centric mindset. PSEG Long Island continuously evaluates customer experience and refines communications regarding customer electric service, innovative rate options, and rebates and incentives available to help customers lower their energy costs.

As part of the overall PSEG Long Island marketing strategy, customer engagement efforts for the Utility 2.0 portfolio undertake a data-driven approach with customer education at its core. The Utility leverages customer insights – available through research efforts, program data, vendor tools, and lessons learned – to strategically communicate program benefits to residential and commercial customers.

Customer engagement efforts are informed by research findings, which allow PSEG Long Island to better understand what customers need, what they are looking for, who they are, and the best way to reach them. Customer research also enables the creation of tailored messaging to specifically address individual customer needs by segment and/or persona. As an example, PSEG Long Island consistently tailors marketing efforts to specifically reach DAC and LMI communities to increase their participation in BEE programs. PSEG Long

Island develops targeted messaging including segment-specific program benefits for increased awareness, engagement, and participation.

Figure 1-5. Utility 2.0 Program Marketing & Customer Engagement Channels

PSEG Long Island utilizes a multi-channel approach for all its marketing efforts, including digital and traditional media as well as account-level direct customer outreach for commercial customers. Utilizing a variety of channels allows PSEG Long Island to tailor customer engagement efforts based on individual program needs and target high-propensity customers who are more likely to participate in its programs. PSEG Long Island has successfully deployed highly targeted customer engagement efforts across its programs and initiatives, including programs in the Utility 2.0 portfolio and the BEE programs, such as Weatherization and Heat Pumps. These initiatives target customers with tailored outreach based on their geographical location, DAC / LMI status, and propensity scores, among other factors. In upcoming customer engagement efforts, PSEG Long Island will continue this targeted approach to reach multi-family and DAC customers and small commercial customers for EV and BEE program offerings.

PSEG Long Island will continue its holistic communications strategy to drive BEE and Transportation Electrification customer engagement. In addition, PSEG Long Island will continue benchmarking and customer research efforts to align with industry best practices on customer engagement and enhanced customer journeys. Specific program marketing and customer engagement details are included in **Section 2.2.2** and **Section 3.3.2**.

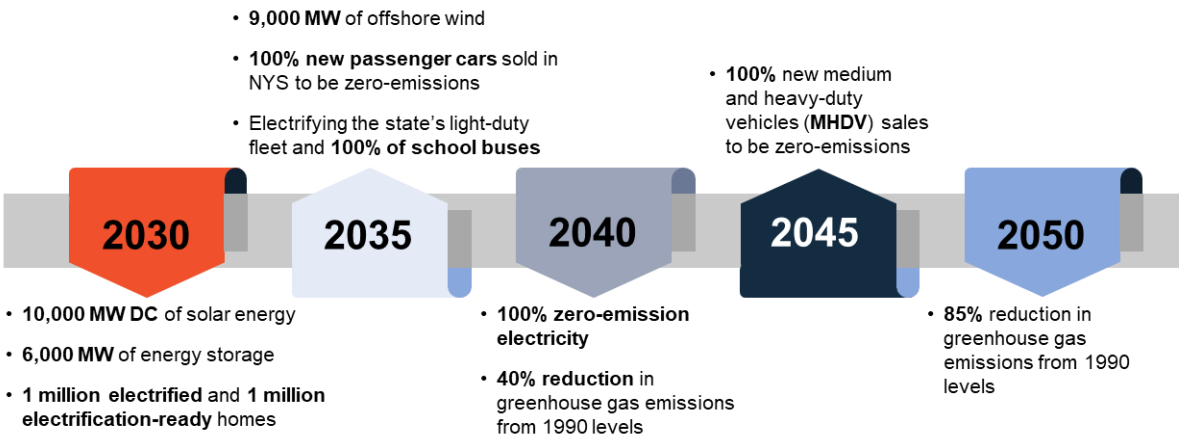
1.3. Long Island Supports the Achievement of Statewide Clean Energy Goals

The New York State Climate Action Council (CAC) developed a Scoping Plan to serve as a framework for the state's plan to reduce greenhouse gas (GHG) emissions, increase renewable energy usage, progress climate justice, and achieve net-zero emissions.[17] The final Scoping Plan was approved and released in December 2022. The Scoping Plan

[17] New York State Climate Action Council, Scoping Plan, Full Report (dated December 2022). (*See* **Appendix E** for URL address).

discusses strategies to meet CLCPA directives and recommends sector-specific and economy-wide actions the state should undertake. Each of these strategies is guided by pillars of climate justice, just transition, economic opportunity, long-term job opportunities, and public health. To achieve the GHG reduction goals by 2050 set forth in the NYS Climate Act, NYS has committed to the objectives outlined in **Figure 1-6**.

Figure 1-6. NYS Climate Act Timeline of Objectives (2030 – 2050)[18]



Additionally, the Scoping Plan lays out policies, programs, legislation, regulation, and funding opportunities for New York to meet the GHG emission limits established in the CLCPA. These actions will be taken across all levels of government and organizations. PSEG Long Island works closely with LIPA, DPS, and NYSERDA on development of the Utility 2.0 Plan to align its initiatives with the latest statewide guidance.

Long Island plays a significant role in helping New York meet its Climate Act goals and additional policies that shape the state's energy and sustainability landscape. PSEG Long Island supports these objectives both in and outside of the Utility 2.0 and BEE programs.

1.3.1. Achievement of Statewide Goals Within Utility 2.0 and BEE

PSEG Long Island's Utility 2.0 and BEE initiatives currently underway or planned for the near future directly contribute to the statewide clean energy goals for Energy Efficiency, Heat Pumps, Transportation Electrification, Energy Storage, and Solar PV.

[18] See the following resources pertaining to NYS Climate Act objectives and goals: Renewable Energy – Powering New York State. New York Advanced Clean Car Regulation. DEC Announces Adoption of Advanced Clean Cars II Rule for New Passenger Cars and Light-Duty Truck Sales - NYSERDA. 2022 New York State of the State. 2022 StateoftheStateBook.pdf (ny.gov). New York Advanced Clean Trucks Regulation. Governor Hochul Announces Adoption of Regulation to Transition to Zero-Emission Trucks | Governor Kathy Hochul (ny.gov). (*See* **Appendix E** for URL address).

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2025 NYS Clean Energy Goal Achievement

Table 1-1 below shows the 2025 NYS CLCPA goals / projections, PSEG Long Island's portion of these NYS goals, and an updated view on PSEG Long Island's progress towards these statewide goals / projections (as of Q1 2025). After 2025, PSEG Long Island will no longer track progress towards the 2025 NYS CLCPA goals and will continue to track progress towards the 2030 NYS CLCPA goals, as applicable.[19]

Table 1-1. PSEG Long Island's Contributions to the 2025 New York State Clean Energy Goals

Category	NYS 2025 Goal / Projection	PSEG Long Island Portion	PSEG Long Island Q1 2025 Actual	Initiatives that contribute to the NYS Goal / Projection[20]
Energy Efficiency	185 TBtu[21]	7.85 TBtu[22]	6.91 TBtu	• BEE Programs (BEE Plan)
Heat Pumps	130,435 installations *(5 TBtu)*	30,000 installations *(1.15 TBtu)*	42,339 installations *(1.26 TBtu)*	• BEE Programs (BEE Plan)
Electric Vehicles	850,000[23]	178,500[24]	75,033	• EV Programs • Make-Ready Programs • Suffolk County Make-Ready Pilot
Energy Storage	1,500 MW	188 MW[25]	44.6 MW	• Connected Buildings Pilot *Outside of Utility 2.0/BEE Plan:* • Residential Energy Storage System Incentive Program • Bulk Energy Storage System (BESS) Solicitation
Solar PV	6,000 MW DC	750 MW DC[26]	1,151 MW DC	• Connected Buildings Pilot

[19] NYS does not currently define a specific 2030 goal for energy efficiency. Should a statewide Energy Efficiency goal be determined in the future, the Utility will reassess its 2030 EE outlook and adjust, as necessary.
[20] Prospective benefits for DACs are called out in orange text in **Table 1-1**. DACs and goals are tracked per Disadvantaged Communities Investments and Benefits Reporting Guidance for New York State Entities. (*See* **Appendix E** for URL address).
[21] The Climate Act requires a statewide energy efficiency reduction of 185 TBtu from the forecasted 2025 energy demand. New York State Climate Action Council, Scoping Plan, Full Report (dated December 2022). (*See* **Footnote Citations and** for URL address).
[22] In December of 2018, New Efficiency: New York (NENY) established a target of 31 TBtu of reduced energy consumption by the State's utilities as a share of the larger EE goal. Within that 31 TBtu goal, LIPA was assigned a proportional share of at least 3 TBtu in EE savings over the 2019-2025 period, or 7.85 TBtu when combining base-level electric savings and the incremental amount established in the December 2018 Order.
[23] This statewide goal is now superseded by Advanced Clean Cars (ACC) and Advanced Clean Trucks (ACT), both of which focus on vehicle sales.
[24] Value reflects Long Island's share of the overall New York State goal of 850,000 light duty vehicles registered and on the road by the end of 2025 rather than an official goal for EV adoption on Long Island.
[25] Values reflect targets rather than official goals for Long Island's portion of the 2025 and 2030 Energy Storage CLCPA target.
[26] Based on Long Island's share of statewide peak load (approximately 12.5%) for 2025.

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2030 NYS Clean Energy Goal Projections

As mentioned above, PSEG Long Island presents an updated summary outlook through 2030 for Electric Vehicles, Energy Storage, and Solar PV in this document. These outlooks (**Section 3.3** and **4.3**) describe how ongoing developments and Utility 2.0 initiatives leverage the Five-Year Plans presented in the 2024 Utility 2.0 Plan and reflect PSEG Long Island's current clean energy vision.

As stated in the PSC Orders 14-M-0094 and 18-M-0084, it is important to note that the BEE investments needed to achieve the goals of the Climate Act cannot be met by ratepayer funding alone. Thus, greater efforts beyond utility customer BEE programs will be needed in order for the state to meet the ambitious objective set forth in the Climate Act.

Table 1-2 reflects the 2030 NYS clean energy goals / projections, PSEG Long Island's portion of these NYS goals, and an updated view on PSEG Long Island's 2030 projected outlook towards achieving these goals. It is important to note that NYS does not currently define a specific 2030 goal for EE. Should a statewide EE goal be determined in the future, the Utility will reassess its EE outlook and adjust, as necessary.

Table 1-2. PSEG Long Island's Outlook on the 2030 New York State Clean Energy Goals

Category	NYS 2030 Goal / Projection	PSEG Long Island Portion	PSEG Long Island's 2030 Outlook	Initiatives that contribute to the NYS Goal / Projection[27]
Energy Efficiency	TBD[28]	TBD[29]	TBD	• BEE Programs (BEE Plan)
Heat Pumps	1,000,000 dwellings[30]	67,769 dwellings[31]	TBD	• BEE Programs (BEE Plan)

[27] Prospective benefits for DACs are called out in orange text in **Table 1-2.** DACs and goals are tracked per Disadvantaged Communities Investments and Benefits Reporting Guidance for New York State Entities. (*See* **Appendix E** for URL address).
[28] The statewide goals for 2030 for EE are still to be determined by New York State.
[29] PSEG Long Island's EE target for 2030 is reflected as "TBD". Should a statewide EE goal be determined in the future, the Utility will adjust its projections as necessary to align with the state.
[30] The 2030 statewide target for heat pumps is 1,000,000 housing units, which is not a part of the Climate Act and was announced by Governor Hochul during the State of the State Address. The metric for the statewide Heat Pump target shifted from installations in 2025 to dwellings for 2030 to more accurately represent Governor Hochul's 2 million electrified or electrification-ready homes plan by 2030.
[31] According to the NSYERDA BEEM, Long Island's portion of the 2030 goal is estimated as 67,769 dwellings (**Section 2.1**).

Category	NYS 2030 Goal / Projection	PSEG Long Island Portion	PSEG Long Island's 2030 Outlook	Initiatives that contribute to the NYS Goal / Projection[27]
Electric Vehicles	100% of LDV sales are ZEVs *(by 2035)*[32]	N/A	275,000[33]	• EV Programs • Make-Ready Programs • Managed Charging
Energy Storage	6,000 MW[34]	N/A[35]	203 MW[36]	*Outside of Utility 2.0/BEE Plan:* • Residential Energy Storage System Incentive Program • NWA Retail Energy Storage • Bulk Energy Storage System (BESS) Solicitation
Solar PV	10,000 MW DC[37]	1,310 MW DC	1,412 MW DC[38]	• *Outside of Utility 2.0/BEE Plan*

1.3.2. Achievement of Statewide Goals Outside Utility 2.0

LIPA and PSEG Long Island are also supporting state clean energy goals in several ways that go beyond the initiatives included in the Utility 2.0 and BEE Plans, including utility-scale solar, wind, and battery storage. In coordination with active and planned Utility 2.0 initiatives, PSEG Long Island engages in transportation electrification efforts external to Utility 2.0, including the transition of its own vehicle fleet to electric vehicles, starting with Light-Duty Vehicles (LDVs), and will explore available options to electrify its Medium- and Heavy-Duty Vehicles (MHDVs) in the future when there are available options to meet its operational needs. Additionally, the Utility's Time of Day (TOD) Rates and involvement in the Distribution System Implementation Plans (DSIPs) and Coordinated Grid Planning Process (CGPP) are efforts supported by other PSEG Long Island business units outside of the Utility 2.0 Program that further advance PSEG Long Island's contribution to statewide climate goals.

[32] The 2030 statewide goal is to be determined. The 2035 goal is based on Advanced Clean Cars II and reflects only EV sales.
[33] The 2030 LDV forecast is updated based on 2025 DSA forecast. This forecast is lower than the one developed in 2024 due to anticipated reduction in EV tax credits.
[34] Governor Hochul's 2022 State of the State Book [governor.ny.gov], at page 146.
[35] This value is reflected as 'N/A' because PSEG Long Island achieving the load-share-ratio of 750 MW of Energy Storage on Long Island by the end of 2030 is dependent on the level of energy storage procured by the state and that share contracted to PSEG Long Island. Thus, PSEG Long Island is committed to contributing to the overall 2030 statewide energy storage CLCPA goal, but the achievement of this goal is reliant on the progress of the state.
[36] *See* **Table 4-11, Section 4.3** for more information on PSEG Long Island's projected 2030 energy storage outlook.
[37] Governor Hochul Announces Expanded NY-Sun Program to Achieve at Least 10 Gigawatts of Solar Energy by 2030. (*See* **Appendix E** for URL address).
[38] *See* **Table 4-12**, **Section 4.3** for more information on PSEG Long Island's projected 2030 solar PV outlook.

Distribution System Implementation Plans & Coordinated Grid Planning Process

PSEG Long Island recognizes that the New York State guidance around Distribution System Platforms (DSPs) and the Distribution System Implementation Plans (DSIPs) ordered by the PSC and filed by the JU is dynamic.[39] As the State plans for updated guidance related to the DSIPs that will be shared this year, PSEG Long Island is prepared to address relevant grid planning considerations through future Utility 2.0 Plans. Projects proposed under Demand Flexibility and DERs, including this year's NWA Retail Energy Storage Evaluation, and the ongoing DLM tariffs are designed to enable DER adoption and to align with New York State distribution planning guidance.

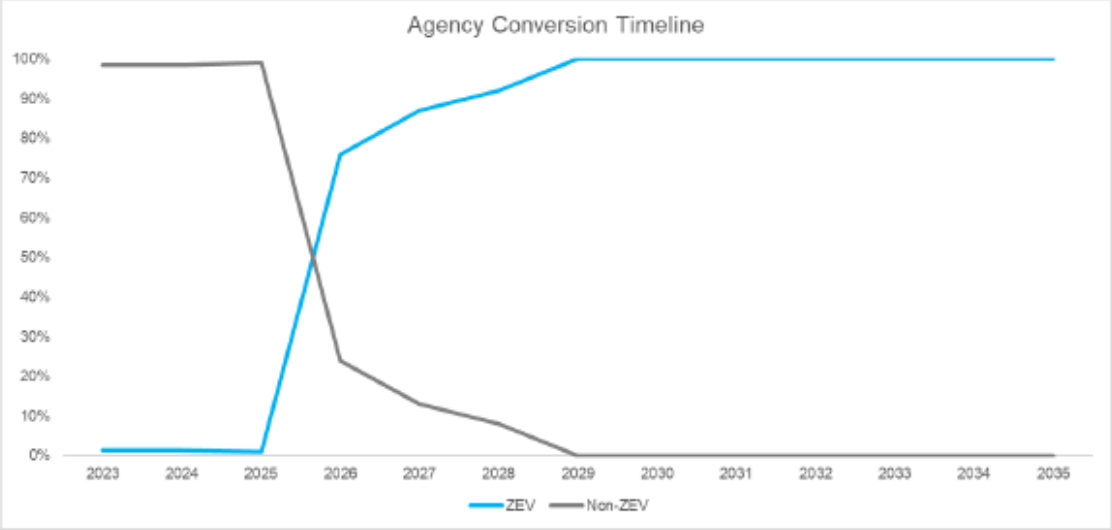
PSEG Long Island is actively engaging with the DPS to stay up to date on developments related to DSIP guidance and the CGPP[40], which will coordinate transmission and distribution planning across New York State to support renewable energy growth. The CGPP process includes data collection, modeling, local assessments, and review of preferred solutions. The initial CGPP report, due January 2026, will recommend transmission and distribution system investments to the PSC. This coordinated effort amongst utilities in NYS will enable the identification of T&D ventures needed across the state to meet the objectives set forth in the Climate Act.

Fleet Electrification

In 2023, PSEG Long Island submitted its plans to convert its LDV fleet to electric in line with the New York State Executive Order 22.[41] The Conversion Timeline is shown in **Figure 1-7** and reflects an accelerated timeline to achieve 100% of the target by 2029, six years ahead of the required deadline of 2035. PSEG Long Island is also in the process of developing a MHDV fleet conversion plan by December 2025.

[39] DPS Case 16-M-0411. (*See* **Appendix E** for URL address).
[40] DPS Order 20-E-0197. (*See* **Appendix E** for URL address).
[41] PSEG Long Island submitted the ZEV Conversion Plan to the DPS in December 2023. New York State Executive Order 22 was released in September 2022 directing state agencies to have 100% of their light-duty non-emergency vehicle fleets be ZEVs by 2035. (*See* **Appendix E** for URL address).

Figure 1-7. Fleet Conversion Timeline



PSEG Long Island has explored the potential for fleet electrification with internal experts, and found the following factors that impact the progress for converting internal utility fleet vehicles:

- **Nascent Market:** PSEG Long Island currently has 40 hybrid electric bucket trucks on order with expected deliveries starting in 2026. In the coming years, PSEG Long Island plans to issue a Request for Proposal (RFP) to procure additional bucket trucks and LDVs based on the replacement cycle and suitability.
- **Existing Vehicles**: PSEG Long Island's existing fleet of vehicles have not yet reached the end of their useful life. Typically, PSEG Long Island utilizes vehicles per the defined replacement program life cycles or to the point where they are at or past the point of economic repair. PSEG Long Island will continue to monitor vehicle conditions and operations to identify those vehicles that are ready and suitable for electrification.
- **Operational Needs**: PSEG Long Island will begin its fleet electrification with its LDV fleet as it is able to meet the operational requirements including charging speed and range. As more electric MHDV options become available, this portion of the PSEG Long Island's fleet will go electric as well.
- **Charging Infrastructure Planning**: PSEG Long Island has continued discussions with National Grid, owner of the operating yards that PSEG Long Island rents, to identify the type of charging equipment needed and charging station locations. Currently, charging equipment and grid infrastructure are being installed and upgraded at the Brentwood, Roslyn, and Hewlett yards. A new PSEG Long Island location in Medford is being designed to support a full location EV plan. In the coming

years, PSEG Long Island will continue to evaluate its plan to support the electrification of all LDVs by the end of 2029.

In the coming months, PSEG Long Island plans to identify those vehicle classes that will be ready to electrify and to develop strategies to electrify each vehicle class. PSEG Long Island expects that most LDVs will be electrified first, with MHDVs being electrified in later years.

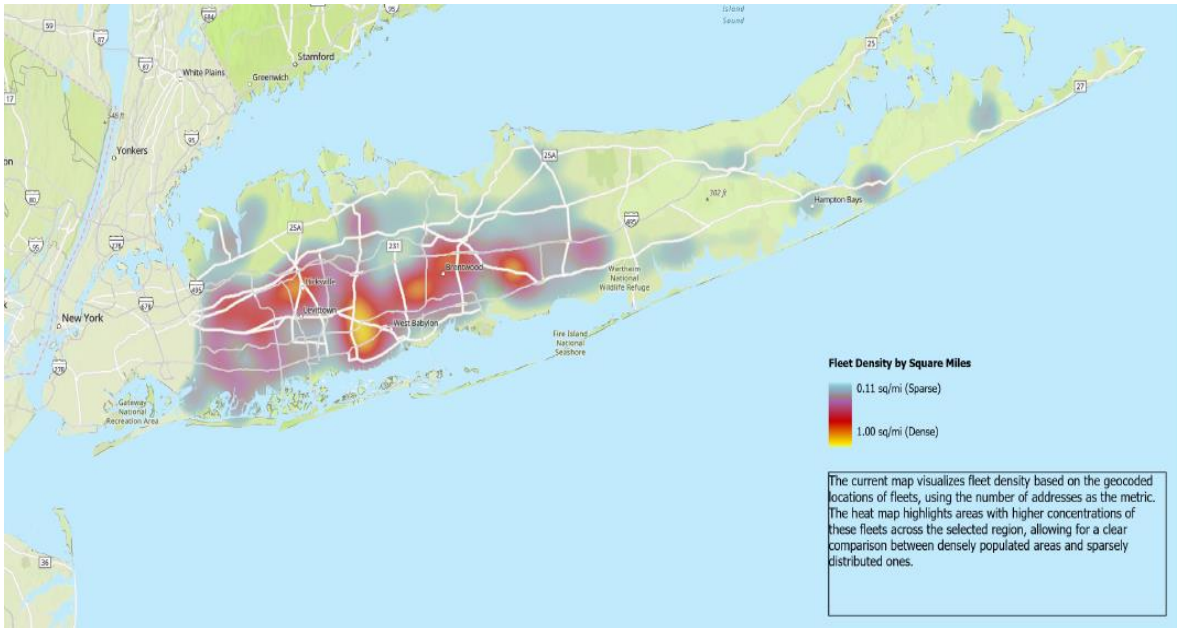
Fleet Electrification Study

As businesses transition their vehicle fleets to electric, the grid infrastructure needs to be adequately sized to support fleet electrification efforts. The Long Island Vehicle Fleet Electrification Study was conducted to support PSEG Long Island in planning for territory-wide fleet electrification by identifying and surveying existing commercial fleets.[42]

The study conducted a survey to learn about fleet electrification plans and concerns. The study also modeled a range of charging load impacts. While PSEG Long Island is still in the process of reviewing the results of the study at the time of this Utility 2.0 Plan, PSEG Long Island has identified some initial takeaways. For example, the survey found that the majority of commercial fleets within service territory are small, with fewer than 25 vehicles. The primary vocations identified by the survey include Business/Home Services and For-Hire Carrier fleets. The survey found that school bus fleets are aware of New York State mandates, with the majority developing plans to electrify. The survey findings also highlighted several key barriers to electrification, including vehicle availability, upfront costs of vehicles and charging equipment, lack of awareness about mandates and incentives, insufficient public charging infrastructure, and the operational complexity of multi-location fleets.

[42] This Study was conducted by LIPA and third-party consultants.

Figure 1-8. Heat Map of Fleet Headquarters on Long Island



In addition to surveying fleets, the study conducted a Fleet Market Assessment to forecast fleet EV adoption, charging infrastructure needs, and the associated load impacts and grid infrastructure needs expected from Long Island's commercial fleet electrification. The study modeled 11 fleet electrification cases through 2050.

Given these findings, the study suggests that promoting fleet adoption through outreach while proactively planning for grid impacts will enable continuous service and support to fleets as they convert to electric. To help address some of the key electrification barriers identified, the study recommends implementing targeted outreach and education strategies to raise customer awareness and help mitigate electrification hurdles faced by fleet operators. The study also suggests that the grid should be prepared for electrification through infrastructure improvements in specific areas identified by load forecasts. Other key recommendations center around prioritizing active managed charging strategies, which the study suggests have the potential to significantly reduce system impacts; identifying locations within service territory that can support public charging; as well as evaluating the impacts of building and personal vehicle electrification to account for all effects of New York State electrification goals.

The results of the study will be integrated into PSEG Long Island's marketing, education, and outreach (ME&O) plan to target specific fleet customer segments. The results will also be used to assess load impacts on 26 distribution circuits to support growing EV charging needs from fleet electrification on Long Island. **Table 1-3** shows the schedule for the Fleet Electrification Study.

Table 1-3. Fleet Electrification Study Schedule

Workstream	H2 2024	H1 2025	H2 2025
Phase 1 & 2[43]			
Phase 1: Fleet Market Research			
Phase 2: Fleet Impact Assessment			
Phase 3[44]			
Task 1: Fleet Customer Engagement Plan			
Task 2: Grid Impact Assessment			

Fleet Customer Engagement Plan

PSEG Long Island is actively incorporating the findings from the LIPA Fleet Electrification Study into the EV ME&O plan and identifying areas where marketing, outreach, and engagement strategies around fleet customers could be further tailored. This effort includes an assessment of how the new data influences customer segmentation, targeting, and messaging for fleet customers. Additionally, the ME&O plan will be revised to reflect these insights, with updates to customer journey mapping, targeted messaging, and outreach strategies that reflect findings from the study.

Grid Impact Analysis

PSEG Long Island will conduct a distribution grid impact analysis based on the results from the LIPA Fleet Electrification Study to evaluate the impact of planned fleet electrification on 26 circuits. This analysis is expected to be completed by the end of 2025. This analysis proactively evaluates the potential impact of fleet electrification on the distribution infrastructure to allow PSEG Long Island to gain further insights into infrastructure impacts on distribution circuits from the increased fleet electrification loads.

Time of Day (TOD) Rates

In March 2023, the LIPA Board of Trustees voted to implement new residential TOD rates.[45] TOD rates charge customers a different price per kWh depending on the time that energy is used. This is a pricing incentive that encourages customers to shift usage from peak to off-peak hours. By reducing usage during peak periods, PSEG Long Island can reduce the capacity and runtime of less efficient power plants while flattening the load profile across

[43] Phases 1 and 2 were conducted by LIPA and third-party consultants.
[44] Phase 3 is being conducted by PSEG Long Island.
[45] LIPA Time-of-Day Rate. (*See* **Appendix E** for URL address).

Long Island. The rate is expected to provide customers with additional control over their ability to save money as well as to reduce carbon emissions on Long Island.

PSEG Long Island has two residential TOD rate options: the standard 2-block period TOD "off-peak" rate and a 3-block period "super off-peak" rate. The super off-peak period offers additional incentives for customers to use electricity at night, when overall energy usage is low, and is expected to benefit EV owners who charge their vehicles at night.

From the start of the program through the completion of targeted group migrations, PSEG Long Island is making bill protection available to eligible residential customers that either opt-in, are migrated to TOD, or move-in and start service on the TOD rate. This allows those customers to try TOD rates risk-free. An eligible customer who has a higher bill on TOD than they would have had on the flat rate will receive a bill credit for the difference. Customers will receive this bill credit either after they have spent 12 months on the TOD rate or after they opt out or move out of their premise prior to 12 months on the rate. Once the targeted populations for migration have been completed, additional new or move-in customers will no longer be eligible for bill protection.[46]

As of November 2023, customers could voluntarily opt in to the new TOD rates and in January 2024, the off-peak two-period rate became the standard rate for residential customers, including for new and move-in customers. PSEG Long Island migrated the first group of residential customers to the new standard TOD rate in June 2024, with the majority of the remaining eligible current customers to be migrated to the rate throughout 2025. Customers can enroll in the rate ahead of their scheduled migration, opt out of migration, or unenroll from the off-peak rate at any time and switch back to a flat rate or other eligible rates.

The public website has been updated with information on TOD specifics, including videos, tips, and frequently asked questions, along with other educational materials to help customers learn about the new rates.[47] Customers can view their personalized rate comparisons in their PSEG Long Island My Account or Mobile App. Direct communications are sent approximately 120, 90, 60, and 30 days before each migrated group transitions to the new standard TOD rate. These targeted communications began in February 2024 for the first migration group and will continue throughout the full migration period. Customers who migrated and those who are placed onto TOD rates when they start service also receive a "Welcome Kit" with additional information about their new rate, as well as a series of educational emails (*i.e.,* Nurture Series) with tips on how to save with TOD. To further

[46] As of January 2026
[47] PSEG Long Island Time-of-Day Rate. (*See* **Appendix E** for URL address).

enhance customers' awareness of the new rates, PSEG Long Island has launched a mass-media campaign that provides additional information about the Time-of-Day rates.

PSEG Long Island recently reached a major milestone in the project exceeding 500,000 customers enrolled in the rate and passed the halfway mark of the customer migration effort. In addition, PSEG Long Island is exceeding the participation rate target[48] with the current participation rate at 98%.[49]

1.4. Delivering Benefits to Disadvantaged Communities (DACs)

The Climate Act supports an equitable and just, clean energy transition in New York, recognizing that climate change impacts can disproportionately burden traditionally underserved communities. To deliver equitable benefits surrounding New York State's clean energy policies, the Climate Justice Working Group (CJWG) was formed to develop criteria for identifying these DACs.

In March 2023, the CJWG voted to approve and adopt the final DAC criteria to advance climate justice.[50] The CJWG used 45 indicators to develop the criteria for identifying DACs and found that 35% of New York State census tracts are designated as DACs. Beyond the geographic criteria, one other criterion that was considered specifically for clean energy policy was total household income at or below 60% of State Median Income (SMI). This allows investments for individual households, regardless of geographic location, earning at or below 60% SMI to be included and counted toward the benefits to DACs.

The CJWG closed the public comment period on the draft reporting guidance in April 2024, and no final guidance documents have been released to date. In January 2024, the New York State Department of Environmental Conservation (DEC) and NYSERDA released draft statewide guidance for DAC investment and benefits reporting requirements. The draft guidance mandates that all New York State agencies, authorities, and entities invest no less than 35%, with a goal of 40%, of overall clean energy and energy efficiency benefits of spending to DACs. In the May 2025 LMI Order, the PSC clarified that the CLCPA Investments and Benefits Requirement should be viewed against the total NYS ratepayer funded portfolios collectively, rather than individually at each program administrator's portfolio.[51]

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[48] The participation rate target is set at 85%.
[49] The participation rate is defined as the calculation of the number of active enrolled customers on the TOD rates (total of 2-period and 3-period) divided by the number of active and eligible target customers.
[50] New York State. Disadvantaged Communities Criteria. (*See* **Appendix E** for URL address).
[51] New York State. Investments and Benefits Reporting Guidance. (*See* **Appendix E** for URL address).

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PSEG Long Island is committed to developing and delivering programs, services, and other offerings to continue to support low-income customers, as well as, geographic DAC customers, and any business/industrial customers who reside within DAC census tracts (in these cases the census tract of the business location is used).

In accordance with statewide guidance, PSEG Long Island defines DAC customers either customers whose household income is at or below 60% SMI and/or customers who reside in the census tracts identified as DACs based upon criteria established by the CJWG and the New York State DEC. As a result of the guidance set forth by the May 15th PSC Orders, PSEG Long Island will be adopting the use of 60% of area median income (in lieu of state median income) as the income requirement for its income-eligible program offerings. However, for purposes of reporting on DAC participation, the income eligibility of 60% state median income will still be used as the required threshold. PSEG Long Island will continue to monitor and participate in Climate Act working groups while also submitting all necessary reporting data to NYSERDA that demonstrate commitment towards clean energy and BEE DAC investments requirements.

PSEG Long Island has developed the capability to report on customer program participation by census tract, including the ability to flag participants residing in DACs based on the geographic location of the meter associated with customer account numbers. The Utility has been able to map 98% of accounts in its service territory to census tracts and will continue to improve the accuracy of geocoding all 1.1 million customers.

PSEG Long Island tracks geographic DAC spending for all of BEE programs as well as customer participation for any program that has low-income offerings, which includes Residential Space Heating, Residential Water Heating, Residential Building Envelope, and Residential Income-qualified (REAP) programs. In 2026, PSEG Long Island will be tracking income eligible program participation between the two different income thresholds, which will allow the Utility to bifurcate customers that qualify as DAC compliant low-income and as non-DAC compliant but still eligible for income qualified enhanced programs.

PSEG Long Island's BEE Plan (**Chapter 2**) identifies enhanced incentives and bonuses for customers located in DACs as well as energy affordability programs for LMI customers. The total LMI portion is approximately $24.69 million in spending in 2026.[52] The BEE Plan also outlines how the Utility consults with its strategic marketing and advertising agency to support targeted outreach and deliver increased awareness of BEE programs to residential

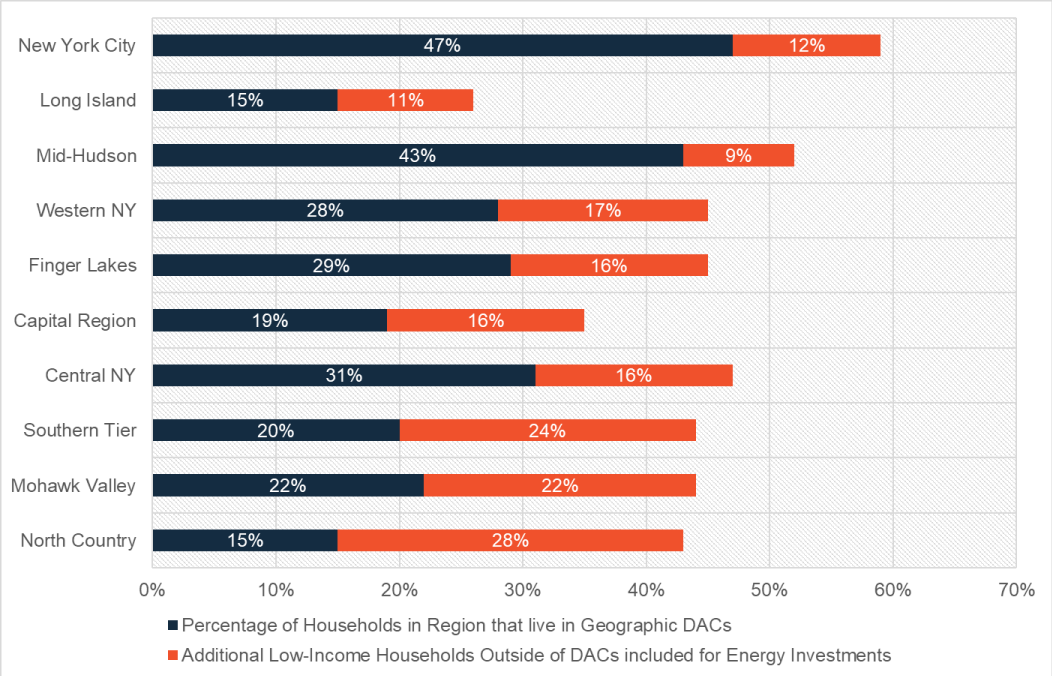
[52] DAC enhancements and spend for Transportation Electrification Programs are not included in this figure.

and business customers in DACs. Lastly, the Make-Ready Program and the EV Program offer enhanced incentives for customers in DAC census tracts, as detailed in **Chapter 3**.

Tracking customers by census tract combined with state defined DAC designation enables the Utility to market specific programs to these customers and to be compliant with reporting on investments made to support the clean energy transition in DACs. PSEG Long Island also has the ability to retrospectively report the impact that programs have had on DACs in the past, which is also required for DAC reporting. PSEG Long Island will submit the DAC Report to NYSERDA annually (once a filing schedule has been announced), detailing progress made within initiatives that benefit DAC customers, once guidance and submission dates are finalized. While awaiting the final DAC guidance, PSEG Long Island has developed the preliminary calculations based on the draft guidance to account for DAC investments and benefits from 2020 through 2024, which has not been subject to final QA/QC and is subject to change per the final guidelines when published by NYS. An initial forecast developed by NYSERDA, based on the regional share of geographic DACs, shows that Long Island (15% DAC and 11% low-income) has the lowest regional potential to achieve the statewide DAC goal of 35% (**Figure 1-9**).[53] Based upon current draft reporting guidance, across applicable spending categories, 57% of spending in both 2023 and 2024 directly attributed to benefiting DACs, rising from 41% in 2020 and is above the 35% state goal and 26% initial forecast.

[53] New York State Climate Justice Working Group 2023 Disadvantaged Communities Criteria Final Report. January 14, 2025. The Figure is sorted from most to least populous Regional Economic Development Council (REDC) regions. The percentage of households that live in DACs within each region may vary slightly from the percentage of tracts identifies as DACs within each region because of slight variation in the population tracts by region. (*See* **Appendix E** for URL address).

Figure 1-9. Percentage of Households in DAC Criteria for Allocating Clean Energy Investments



The Regional Clean Energy Hubs Program, run by NYSERDA, further provides education and resources to LMI customers in Long Island.[54] Clean Energy Hubs are community-based organizations that provide information to customers interested in benefits of the clean energy transition and in learning ways to reduce energy use and cost. PSEG Long Island coordinates with the Long Island Clean Energy Hub to further the reach of its low-income programs and provide EE resources for customers in DACs.[55]

1.5. Looking Ahead to the Future

PSEG Long Island's 2025 Utility 2.0 and BEE Plan represents a one-year outlook and funding request for 2026. This year's Plan also includes the Utility's current outlook on activities through 2030 that support and align to the NYS CLCPA goals. Anything beyond 2026 presented in this Utility 2.0 Plan is subject to change based on the evolution of future state policies, market conditions, available budget, technology advancements, and customer adoption. Thus, activities included in the 2030 Outlooks beyond 2026 at the time of this filing are not a part of the funding request for 2026.

[54] Regional Clean Energy Hubs Program and NYSERDA's Find Your Clean Energy Hub Tool. (*See* **Appendix E** for URL address).
[55] Long Island Clean Energy Hub. (*See* **Footnote Citations and** for URL address).

PSEG LONG ISLAND

2. Building Efficiency & Electrification

2025 Utility 2.0 Annual Plan Filing and Building Efficiency & Electrification Plan

2. Building Efficiency and Electrification

The Climate Act puts New York State on the path to reaching 100% zero emission electricity by 2040 and aims to reduce statewide GHG emissions by 85% by 2050 relative to 1990 levels. Because buildings contribute about a third of the state's total direct carbon emissions, investing in technologies that decarbonize the building stock can provide a massive opportunity to mitigate the impact of climate change and curb future emissions. Building efficiency and electrification upgrades in both new construction and existing buildings is key to achieving the decarbonization goals.

The Climate Act emphasizes the need for homes to follow this electrification trend through the implementation of heat pump and energy efficiency (EE) technologies. Statewide, over 200,000 homes per year are targeted for upgrades to become significantly more efficient and fully electrified starting in 2030 through mid-century.[56] Additionally, to directly support building decarbonization, Governor Hochul committed to achieving a minimum of 1 million electrified homes and up to 1 million electrification-ready homes by 2030.[57,58] Of the 2 million electrified homes, 800,000 of the homes are expected to be LMI households.

As part of its overall goal of reducing GHG emissions by 40% by 2030 and driven by the CLCPA goals, New York set a new statewide EE target of 185 TBtu by 2025. In December of 2018, the PSC established a target of 31 TBtu of reduced energy consumption by the State's utilities as a share of the larger EE goal.[59] Within that 31 TBtu goal, LIPA was assigned a proportional share of at least 3 TBtu in EE savings over the 2019-2025 period, or 7.85 TBtu when combining base-level electric savings and the incremental amount established in the December 2018 Order. By laying out these targets, New York established fuel-neutral metrics to incorporate beneficial electrification in the building and transportation sectors, which is necessary to achieve the State's carbon reduction goals.

PSEG Long Island offers an array of rebate and incentive opportunities to assist customers either in reducing their energy usage through EE offerings, thereby lowering their energy bills, or in electrifying their homes and avoiding fossil fuel-based costs through beneficial electrification. As part of its continued commitment to a clean energy future, PSEG Long

[56] NYSERDA Carbon Neutral Buildings Roadmap: Achieving a carbon neutral building stock in New York State by 2050.
[57] Electrification-ready means a home or building is wired to accommodate the installation of future electric equipment (NEEP). (*See* **Footnote Citations and** for URL address).
[58] 2022 New York State of the State Book
[59] New Efficiency: New York Order. (*See* **Appendix E** for URL address).

Island has designed EE and electrification programs that are responsive to the regulatory directives including the Strategic Framework of the July 2023 New Efficiency: New York Order (the "July 2023 NE: NY Order") and the LMI[60] and Non-LMI[61] Orders issued by the Public Service Commission on May 15, 2025 (the "May 2025 Orders").[62] These PSC orders set forth parameters intended to improve program delivery and coordination between the program administrators, increase the provision of benefits to DACs and LMI customers, and drive the evolution of the portfolios to help meet current market conditions and New York State policy objectives. The May 2025 Orders outline an overall theme of "Efficiency First," emphasize weatherization along with heat pump measures, and direct the regulated utilities to transition away from incentives for lighting, appliances, and home energy reports, and towards strategic measures including, but not limited to, deeper building envelope upgrades and building electrification. Additionally, the May 2025 Orders provide specific targets to ensure that New York State is on a path to achieve the clean energy goals and policy objectives and focus on overall program delivery efficiency and driving program delivery to more income eligible customers.

Since 2024, PSEG Long Island has prioritized and actively pursued whole-house heat pumps so that the whole-house heat pump target for LIPA, established in NYSERDA's Building Efficiency and Electrification Model (BEEM), is successfully achieved by 2030.[63] In light of the May 2025 Orders, PSEG Long Island has revised its 2026 Building Efficiency and Electrification (BEE) Plan to reflect such orders to the extent possible given budget and market conditions anticipated for 2026. Alignment with the Strategic Framework as a starting point, the 2026 BEE Plan focuses on delivering an array of cost-effective programs to residential, non-residential, and multi-family customers, while expanding the Utility's efforts on weatherization and heat pump initiatives. Adopting a fuel-neutral approach and savings targets set in MMBtu allows PSEG Long Island to aggregate efficiency achievements across electricity, natural gas, and delivered fuels such as oil and propane, which require a shift toward investments in non-lighting opportunities, especially expanding a focus on heat pumps and weatherization measures. **Table 2-1** demonstrates how PSEG Long Island's 2026 portfolio compares against the targets outlined in the May 2025 Orders.

[60] Order authorizing Low- to Moderate-Income (LMI) Energy Efficiency and Building Electrification Portfolio for 2026-2030 (25-M-0249). (*See* **Appendix E** for URL address).
[61] Order Authorizing Non-Low- to Moderate-Income (Non-LMI) Energy Efficiency and Building Electrification Portfolio for 2026-2030 (25-M-0248). (*See* **Appendix E** for URL address).
[62] The May 2025 Orders supersede the July 2023 NE: NY Order and provide further guidance on the strategic framework along with the budget-bounded approach to advancing the CLCPA targets while limiting ratepayer impact.
[63] According to the outputs of the NYSERDA BEEM analysis, Long Island's service territory is expected to yield a target of 67,769 dwellings with heat pumps by 2030.

Table 2-1. PSEG Long Island's 2026 BEE Portfolio aligned to LMI and Non-LMI PSC Orders

May 15th, 2025, NENY Directives	PSC Targets	PSEG Long Island's 2026 Plan
Maximize money-out-the-door (MOTD)[64]	≥ 80%	76%
Small Residential Weatherization	≥ 25%	18%
Heat Pumps	≤ 50%	56%
LMI Market Segment (60SMI and 60AMI)	30%	41%
Strategic Measures	≥85%	99.2%
Neutral Measures	≤15%	0.8%

The 2026 BEE Plan will continue to offer rebates and incentive opportunities for customers, with an additional focus on several key areas in order to stay consistent with the Climate Act goals and to align with the Strategic Framework of the May 2025 Orders. These key areas include increased incentives and a focus on boosting weatherization efforts, equitable program design and delivery mechanisms, DAC participation, continuing to focus on building electrification of heating, approaches to improve and/or enhance the customer experience by simplifying program offerings, and providing more technical support where needed. In 2026, the Utility also plans to introduce customer awareness initiatives (including for income-qualified customers) and to explore simplified access to rebates/incentives, and program offerings on the website.

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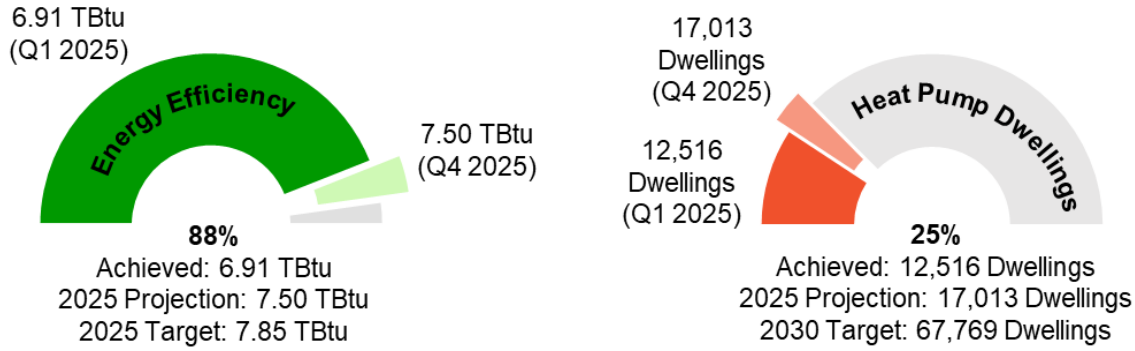
[64] MOTD is calculated based upon PSEG Long Island's interpretation of the May 2025 Orders but is subject to further revision as future guidance on how this ratio should be calculated is issued.

2.1. 2025 Goal Achievement and 2030 Projections

2.1.1. 2025 Goal Achievement

The 2025 EE goal tracks two key milestones: achieving overall 7.85 TBtu in energy savings and overall progress towards the 2030 goal of achieving 67,769 dwellings with heat pumps as their primary source of heat. **Figure 2-1** below depicts the actual progress for heat pump installations and EE savings to date as of Q1 2025 compared to the projected achievements for Q4 2025.

Figure 2-1. EE and HP Actuals to-date (Q1 2025) and 2025 Projected Achievement (Q4 2025)



As shown in **Figure 2-1**, the 2025 projected cumulative EE savings achievement is 7.50 TBtu. This projection reflects savings calculated in the same manner used by the rest of the New York State electric utilities. In alignment with the New York State utilities, achievement does not include heating penalties. It should be noted that a slight underrun of the 7.85 TBtu 2025 target is projected primarily due to the loss of high efficiency, cost-effective lighting as an eligible measure for roughly two and a half years of the overall period of performance.

In support of the 2030 Statewide building electrification goals, it is projected that 17,013 heat pump dwelling units will be installed by the end of 2025.

2.1.2. 2030 Projections

Energy Efficiency 2030 Targets

As stated earlier, New York State does not currently define a specific 2030 goal for EE. PSEG Long Island is committed to helping New York State achieve its clean energy goals and will continue to offer rebates and incentive opportunities for EE measures in 2026. However, when looking towards the future of EE, 2026 will serve as a transition year for program design as the EE program experiences a major shift due to regulatory impacts. The May 2025 Orders, All-Electric Buildings Act, and the Energy Independence Security Act

(EISA) standards remove a substantial amount of high-yield, low-cost efficiency measures starting in 2026. As stated earlier, the May 2025 Orders prohibit utilities from offering incentives for lighting and appliances, and home energy reports using ratepayer funds and direct the regulated utilities towards deeper building envelope upgrades and building electrification. Future efforts will consequently focus on low-yield, high-cost strategic measures, which typically have a longer useful life, to capture energy savings.

Whole-house Heat Pump 2030 Targets

In 2022, Governor Hochul announced a plan for 2 million electrified or electrification-ready homes with heat pumps to provide electric heating and cooling paired with EE[65]. In an effort to more accurately represent this refined heat pump goal towards electrifying homes, the unit of measurement for this goal has shifted from installations to dwellings. Based upon the outputs of NYSERDA BEEM model, LIPA's service territory was forecasted to yield a target of 67,769 dwellings with heat pumps by the end of the decade assuming overall budgets were significantly increased for heat pump programs over the time period.

PSEG Long Island offers a comprehensive menu of heat pump measures to help support the State in its pursuit of achieving the 2030 goal of 1 million homes with heat pumps and an additional 1 million homes as electrification ready. **Figure 2-1** above demonstrates PSEG Long Island's progress towards its 2030 goal for the number of dwellings with heat pumps as of Q1 2025. An additional 4,497 heat pump dwelling units are projected to be achieved by the end of 2025 (Q4 2025).

2.2. Portfolio Budget and Target Summary

PSEG Long Island has been actively engaged in rolling out utility-leading residential and commercial programs for customers. The 2026 BEE Plan adopts a "Strategic Framework" to guide the evolution of EE and electrification programs and presents a wide array of incentives, rebates, and programs to its residential and commercial customers to assist them in reducing their energy usage and lowering their bills.

The plan has been impacted by the finalization of the EISA of 2007, which effectively results in no longer considering lighting as a program measure. Additionally, the May 2025 Orders and recently enacted All-Electric Buildings Act result in the portfolio transitioning from high yield, quick installation, low-cost measures to low yield, longer installation period, high-cost measures, with increased funding allocated for weatherization and heat pump measures, along with significant funding support available for DACs and income-qualified customers. Adopting fuel-neutral savings targets (MMBtu) has allowed PSEG Long Island to allocate

[65] Energy Efficiency and Building Decarbonization - NYSERDA. (*See* **Appendix E** for URL address).

funds towards non-lighting opportunities, especially expanding the Utility's focus on weatherization and heat pumps and other building decarbonization opportunities.

Early in its program implementation efforts, PSEG Long Island recognized the importance of aligning the business trades with its program offerings and focused on building a Partner Network for a successful deployment of its EE and electrification programs to reach its customer base. The Partner Network includes trade allies, distributors, engineers, architects, community groups, and consumer advocates who support program growth and customer education. PSEG Long Island also collaborates with state agencies, other NYS utilities, and municipalities for a coordinated effort to reach clean energy and decarbonization goals. These stakeholder partnerships facilitate attractive incentives and services to be offered through the residential and commercial programs, which make homes and businesses on Long Island energy efficient, safe, and comfortable.

PSEG Long Island's program philosophy and delivery is structured to respond to market changes and cost-effective BEE opportunities during any given year. The 2026 BEE Plan targets 519,422[66] total MMBtu savings which are reflected on a gross basis at site. The proposed 2026 budget of $88.33 million for the BEE Plan has reduced from the approved 2025 budget of $92.45 million. Such cost savings were achieved without any reduction in customer rebates and incentives, thus improving the percentage of "money out the door" (MOTD). The 2026 BEE portfolio also includes budgets for some non-BEE initiatives that are also implemented through the PSEG Long Island Energy Efficiency Department, but which will not have any MMBtu savings associated with them in 2026— *e.g.,* the DLM Program. Given the increased emphasis on advancing energy affordability, the BEE initiatives will focus on energy solutions for Income-qualified consumers. Enhanced heat pump and building envelope rebates, and programmatic changes designed to enhance the portfolio of income-qualified programs will total approximately $24.97[67] million in spending in 2026.

PSEG Long Island monitors program performance and consumer uptake on a continual basis. By doing this, PSEG Long Island can respond to changes in market conditions in a timely and efficient manner, which allows for the revision of offerings throughout the year in response to changing market conditions.

2.2.1. Portfolio Summary

Table 2-2 summarizes the expected energy savings (on a MMBtu and MWh basis), along with the associated budgets, for the various residential and commercial components that

[66] This does not include energy savings (MMBtu) resulting from the NYS Homes and Community Renewal (HCR) program. Upon implementation, the HCR program will provide additional energy savings.
[67] This spending does not reflect investment to be made in Disadvantaged Communities.

comprise PSEG Long Island's portfolio of BEE programs. Starting in 2026, the Home Energy Management program (Home Energy Reports) will be discontinued due to the May 2025 Orders prohibiting the use of ratepayer funds for such services.

Table 2-2. 2026 Building Efficiency and Electrification Goals

Program	Annual Savings (MWh)	Annual Savings (MMBtu)	Lifetime Savings (LMMBtu-e)	Program Budget ($M)
Residential Space Heating	6,438	235,687	5,426,343	26.18
Residential Water Heating	244	10,571	211,430	1.40
Residential Building Envelope	1,581	22,133	530,804	10.71
Residential Efficient Products	3,858	114,690	1,257,604	2.11
Residential Income-qualified (REAP)	689	11,187	132,252	–
Commercial	21,889	89,285	1,343,684	8.75
Multi-Family	1,050	35,869	824,980	2.89
NYS Home and Community Renewal (HCR)	–	–	–	2.43
Total, Budget Components with Programmatic Savings	**35,750**	**519,422**	**9,727,097**	**54.47**[68]
Engineering Consultant	–	–	–	–
DLM Tariff	–	–	–	–
Evaluation	–	–	–	–
G&A	–	–	–	–
Labor	–	–	–	–
Advertising	–	–	–	–
Implementation Services Fee	–	–	–	–
Total Other Budget Components Not Associated with Programmatic Savings[69]	**–**	**–**	**–**	**–**
Total BEE Funding Request[70]	**35,750**	**519,422**	**9,727,097**	**88.33**

[68] Reflects budget for rebates and incentives for the BEE programs.
[69] A solicitation is currently open for the BEE Implementation Services Contract and pricing for the other budget components not associated with programmatic savings will be confirmed upon final contract award.
[70] As mentioned previously, this budget supports the activities for the overall EE Department (*i.e.*, outside of BEE), including the DLM Tariff Program, Utility 2.0 support provided by Guidehouse, and Labor/G&A/Evaluation supporting other groups within the department.

Table 2-3 summarizes the expected budgets, participation, and savings (on a MMBtu basis) for the various residential and commercial heat pump measures across PSEG Long Island's portfolio of programs. Full details on unit types/dwellings and associated rebates and incentives can be found in the program sections that follow. Note that the savings and budgets listed below are subsets (*i.e.*, heat pump technologies) of the overall goals outlined in **Table 2-2**.

Table 2-3. 2026 Heat Pump Goals

Program & Measure	Savings (MMBtu)	Participation (Units)	Participation (Dwellings)	Rebates & Incentives Budget ($M)
Residential Space Heating	**235,686**	**14**	**4,555**	**26.18**
Whole-House ASHPs	*230,176*	*–*	*4,439*	*25.57*
Air to Water HPs	*703*	*–*	*16*	*0.05*
Ground Source HPs	*4,807*	*14*[71]	*100*	*0.56*
Residential Water Heating	**10,571**	**979**	**–**	**1.40**
Heat Pump Water Heaters	*10,571*	*979*	*–*	*1.40*
Commercial and Multi-Family	**60,877**	**2,092**	**1,200**	**6.83**
Commercial Space Heating	*25,008*	*2,060*	*–*	*3.94*
Multi-Family	*35,869*	*32*	*1,200*	*2.89*
Total	**307,134**	**3,085**	**5,755**	**34.41**

Plans for 2026 also include additional investments in energy affordability for income-qualified customers through EE programs and heat pump offerings. These investments in customer programs offer broad benefits, including permanently lowering household energy bills, reducing carbon emissions, supporting climate justice, and reducing bill impacts on all customers. In the proposed 2026 budget and shown below in **Table 2-4**, PSEG Long Island plans on spending $24.97 million on income-qualified customers.

[71] This value reflects the number of De-superheaters some customers prefer to install with their GSHP system.

Table 2-4. 2026 Income-Qualified Customer Goals

Program & Measure	Savings (MMBtu)	Participation (Units)	Participation (Dwellings)	Rebates & Incentives Budget ($M)
Residential Space Heating – LMI	**58,101**	**–**	**1,112**	**11.37**
Whole-House ASHPs	*57,787*	*–*	*1,105*	*11.32*
Air to Water HPs	*220*	*–*	*5*	*0.03*
Ground Source HPs	*94*	*–*	*2*	*0.02*
Residential Water Heating – LMI	**2,497**	**226**	**–**	**0.41**
Heat Pump Water Heaters	*2,494*	*225*	*–*	*0.41*
Ground Source HPWH	*3*	*1*	*–*	*0.002*
Residential Building Envelope – LMI	**12,315**	**907**	**–**	**7.46**
Residential Weatherization	*12,290*	*900*	*–*	*7.43*
Residential Windows	*25*	*7*	*–*	*0.03*
Residential Income-qualified (REAP)	**11,187**	**19,215**	**–**	**3.30**
NYS Homes and Community Renewal (HCR)	**–**	**–**	**–**	**2.43**
Total	**84,100**	**20,348**	**1,112**	**24.97**

2.2.2. Customer Experience & Engagement

PSEG Long Island continues to prioritize customer experience and engagement in alignment with regulatory priorities by leveraging multiple marketing and outreach channels. With an overarching program goal to generate increased business and residential customer participation in PSEG Long Island's BEE Programs, the key program objectives are:

- Increase customer understanding of the associated benefits of BEE, including the variety of BEE programs offered and actions to take care of the environment
- Increase customer awareness of the Utility's residential and business BEE programs
- Drive all customers to undertake BEE behaviors and leverage the Utility's programs to save energy and money

The Utility, along with key marketing partners like ICF Next, the advertising agency of record, will enlist the following outreach strategies:

- Reinforce PSEG Long Island's commitment to clean energy and environmental stewardship

- Create a unified BEE brand name that integrates both residential and small business programs, reflects the customer journey, and delivers cohesive, streamlined messaging across all marketing channels
- Utilize ICF's Sightline to target customers with a high propensity to participate in BEE programs
- Implement a multichannel media strategy that aligns with the customer's BEE journey to boost awareness and education PSEG Long Island's BEE offerings
- Coordinate with internal partners like the Community Partnership Program to sponsor and engage in community events fostering face-to-face interaction with customers
- Sustain focus on DACs while also utilizing propensity modeling to identify potential customers and deploy highly targeted outreach for increased take rates

In the second half of 2025, PSEG Long Island will undertake a significant effort of Customer Journey Mapping research to evaluate all aspects of customer experience, including communication channels to better understand customer needs and preferences.

2.2.2.1. Customer Experience Enhancement Plans

Customer Journey Mapping serves as a valuable research methodology, as it:

- Deepens understanding of customer needs
- Guides improvement efforts
- Improves customer satisfaction
- Enables future state evolution

Purpose and Objectives

By evaluating existing customer paths, analyzing current processes, and proposing short- and long-term solutions, Customer Journey Mapping research will aid in improving overall customer experience with BEE programs offered by PSEG Long Island.

Planned Activities and Deliverables

Table 2-5. Customer Journey Planned Activities and Deliverables

Activity / Deliverable	Description
Step 1: Establish framework	Establish goals and subjects/products/services to evaluate
Step 2: Define Personas	Create personas that best represent PSEG Long Island customer base
Step 3: Identify Touchpoints	Identify customer interactions throughout the process (actions, thoughts, and emotions)
Step 4: Develop Action Plan to Improve Customer Experience	Develop an action plan that provides solution to eliminate pain-points and improve customer experience

Schedule and Timeline

Table 2-6. Customer Journey Planned Activities and Deliverables

Activity	2025			2026		
	Q2	Q3	Q4	Q1	Q2	Q3
Phase 1: Customer Journey Mapping Research						
Phase 2: Short Term Solution Implementation (Establish Program Names, Marketing and Outreach Strategy – based on Customer Journey Mapping recommendations)						
Phase 3: Long Term Solution Implementation (Design New Tools and Complete Technology Modifications)						

2.2.2.2. Marketing and Outreach

PSEG Long Island markets and advertises its BEE programs with the goal of increasing:

- Awareness about the programs offered by PSEG Long Island
- Participation in PSEG Long Island's BEE programs
- Customer satisfaction, ultimately leading to driving up J.D. Power scores

Research by J.D. Power suggests that customers who are aware and participate in PSEG Long Island's programs tend to trust and think of the Utility more favorably. As part of its strategy to increase awareness of the Utility's BEE programs, PSEG Long Island uses J.D. Power and its own demographic data to target media messaging through select channels aimed specifically at demographic segments including:

- Mass media (print, radio, TV)
- Tactical (emails, direct mails, newsletters)
- Targeted (digital, social media, Online Energy Analyzer)

These combined tactics help transmit a broad message about BEE measures and also communicate the benefits of these measures to niche sectors allowing PSEG Long Island to target parameters such as age, income level, homeowner versus renter, and those more inclined to embrace green technology.

PSEG Long Island continues to push the message of "save energy and money." Research conducted by PSEG Long Island indicated that customers want to hear most about how to

save energy and money. Explaining to them that they have a choice when it comes to lowering their bill improves customer opinions of PSEG Long Island.

PSEG Long Island believes the right media mix and frequency is important to reinforce the overarching BEE message about affordability, efficiency, and savings. To reach households in Nassau, Suffolk, and the Rockaways, a mix of TV, radio, newsprint, digital banners, and occasional billboards on trains and buses are used. This mix ensures that a broad audience is being reached. When it comes to marketing for program conversions, lead generation and enrollments such as Home Comfort, Geothermal, or Home Performance, PSEG Long Island uses a more focused approach with targeted emails, direct mail, and digital ads.

Additionally, in 2023, the Utility was tasked with designing and executing a marketing plan to build awareness, education, and demand while reducing heat pump adoption barriers for PSEG Long Island customers. This strategy was adopted in 2023 and will continue through 2026 with a sustained focus on DACs while utilizing propensity modeling to identify potential customers and deploy highly targeted outreach for increased take rates.

Over the last 10 years, PSEG Long Island has successfully implemented numerous campaigns to drive overall BEE awareness, increase energy affordability and support clean energy goals. In 2024, the BEE portfolio paid advertising campaign delivered nearly 30 million impressions across social media, digital display, search engine marketing, Out of Home, door hangers, and connected TV. PSEG Long Island also executed 41 unique deliverables to drive awareness of general EE rebates, heat pump rebates, smart thermostat rebates, Google Nest Thermostat rebates, and home energy assessments. This strategy will continue into 2026 and beyond.

2.2.2.3. Customer Participation Mechanisms

PSEG Long Island BEE Programs provide a multitude of pathways for customers to receive rebates and incentives for program participation, including:

- **Excel Based Data Collection Tools**: For programs such as, but not limited to, Space Heating, Building Envelope, and Commercial Products, PSEG Long Island developed customer and contractor facing data collection tools to collect site, equipment, and project cost data. Within the data collections tools are rebate and savings calculations that allow participants to understand their energy savings and estimated rebate for participation.
- **Residential Online Application**: The Residential Efficient Products Program boasts a customer friendly Online Application for the submittal of rebate applications for efficient products.
- **PSEG Long Island Marketplace**: The PSEG Long Island Marketplace (a component of the Residential Efficient Products Program) is a hub for LMI and Market Rate

customers to explore basic BEE measures and navigate to other BEE programs. The Marketplace offers a combination of incentivized and non-incentivized measures, including smart thermostats and electric vehicle chargers. More details on the Marketplace can be found in **Section 2.3.5**.

- **PSEG Long Island Partner Portal**: Approved PSEG Long Island Residential and Commercial Partners have the benefit of submitting completed applications and project documentation through the PSEG Long Island Portal and Online Application. The Partner Portal streamlines project processing and allows the Partner to monitor project progress from initial application submittal to final rebate payment.

2.2.3. Disadvantaged Communities (DACs)

PSEG Long Island has formulated a plan in consultation with its strategic marketing and advertising agency to support the state's goal of targeting 40% of EE and Clean Energy benefits to residential and business customers in DACs or in income-qualified households (at or below 60% SMI). While the benefits accruing to DACs are inclusive of economy-wide investments that are broader in scope than just clean energy and BEE programs, this chapter is primarily concerned with the BEE benefits. The BEE Plan focuses on the delivery of building efficiency and electrification to DAC and low-income customers.

While the CJWG voted to accept criteria on March 27, 2023, final guidance documents have yet to be published for statewide reporting efforts. Expenditures are currently the primary reporting metric as opposed to benefits, which have yet to be defined. PSEG Long Island has populated draft templates for calendar years 2020 through 2024 and submitted the draft templates to LIPA for QA/QC purposes. These draft reports were compiled based on the draft guidance received from NYSERDA, utilizing 2010 census tract data to define DACs. PSEG Long Island expects to refine and submit our data for the statewide reporting in accordance with the final schedule and guidance the New York State Department of Environmental Conservation (DEC) puts forth.

PSEG Long Island is committed to supporting its customers residing in DACs and the onboarding of ICF Next in 2021 as the Utility's advertising agency has afforded new options in promoting BEE. In addition to the mass media advertising that PSEG Long Island uses to communicate the multiple benefits of its BEE programs across Long Island and the Rockaways, PSEG Long Island has been able to utilize ICF's Sightline analytical tool to target specific DAC and low-income customers in 2025. The plan will be to continue to utilize ICF's Sightline analytical tool in 2026.

Sightline is a centralized customer intelligence platform that provides customer data enrichment and segmentation, advanced energy use analytics and propensity modeling, and the identification of critical customer groups for ongoing customer research and message testing.

These insights can maximize efficient marketing and outreach to DACs. Communications may take the form of emails, digital channels, social media, and targeted print ads. In addition, PSEG Long Island will continue to implement and seek opportunities to create multilingual materials in at least one other language, to accommodate communities where English is not the first language.

The effectiveness of the campaigns will be monitored, measured, and optimized by engagements such as email and digital ad engagement, sales, BEE conversions and any other KPIs that are established to track achievements towards set goals.

In addition to marketing, advertising, communications, and public affairs, PSEG Long Island's business customer advocates will also support the ongoing outreach and awareness of BEE programs. Collaboration with events such as Community Wide Energy Forums in DACs are also being developed to further DAC outreach and engagement. PSEG Long Island has continued to target these customers by adding DAC bonus incentives and additional DAC rebates where applicable throughout our portfolio.

PSEG Long Island has the capability to report upon customer program participation by census tract which supports focused outreach to customers within DAC communities. PSEG Long Island utilizes this ability to determine existing DAC customer participation in its non-income qualified program offerings and continues to align overall customer program participation with the 40% statewide goal for the NYS ratepayer funded portfolios.

2.2.4. Benefit-Cost Analysis

While PSEG Long Island's BEE planning is done on a gross basis at the customer meter to align with state objectives, the cost-effectiveness screening is still done on a net basis that considers potential free riders and spillover effects as a result of the program offerings.

PSEG Long Island has historically used two separate tests to screen each program and for the overall portfolio: the societal cost test (SCT) and the utility cost test (UCT). The tests are similar but consider slightly different benefits and costs in determining the benefit-to-cost ratios. The ratepayer impact measure (RIM) test is also conducted to assess impact on utility costs and ratepayer bills from the benefits and costs.

- The SCT considers costs to the participant but exclude rebate costs because these are viewed as transfer payments at the societal level. The SCT also includes the benefits of non-electric (*i.e.,* gas and fuel oil) energy savings where applicable, resulting in different benefit totals than the UCT test. EE measures and building electrification measures are captured in this test.
- The UCT includes the net costs of an EE or renewable program as a resource option based on the costs incurred by the program administrator, including all program costs

and any rebate and incentive costs, but excludes costs incurred by the participant. Only EE measures are captured in this test.

- The RIM test is also conducted for each BEE and renewable program and for the overall portfolio. The RIM test provides an assessment of the preliminary impact on customer rates and compares utility costs and utility bill reductions with avoided costs and other supply-side resource costs. Only building electrification (BE) measures are captured in this test.

PSEG Long Island now uses the SCT as the primary method and has utilized the 2025 avoided capacity and energy costs to screen its 2026 BEE programs and portfolio. The UCT and RIM tests are used as secondary reference points to assess the impact on utility costs and ratepayer bills. The cost-effectiveness tests used in the BEE BCA Model are in accordance with the PSEG Long Island BCA Handbook, which is summarized in **Appendix A**. The full version of the Handbook can be found in the 2024 Utility 2.0 Plan (Appendix A).

Table 2-7 presents the benefit-to-cost ratios for the SCT, UCT, and RIM tests for each program sector and for the overall BEE portfolios. This includes income-qualified components that are part of various programs. Overall, the proposed 2026 BEE program portfolio passes the Societal Cost test while certain individual programs predominantly focused on building envelope fall below the 1.0. This is not uncommon for income eligible and building envelope programs.

Table 2-7. BCA for 2026 BEE Portfolio

Program/Sector	SCT	UCT	RIM
Commercial	1.33	1.12	0.29
Multi-Family	1.45	(0.23)	1.61
Total Commercial BEE Portfolio	**1.37**	**0.65**	**0.44**
Residential Space Heating	2.99	(0.25)	1.52
Residential Water Heating	2.00	(0.28)	0.92
Residential Building Envelope	0.80	0.24	0.14
Residential Efficient Products	3.78	0.20	0.09
Residential Income-qualified	0.75	0.09	0.06
Total Residential BEE Portfolio	**2.45**	**(0.08)**	**1.03**
Overall Portfolio	**2.08**	**0.08**	**0.80**

Residential Building Envelope is not cost-effective; PSEG Long Island believes this is a result of the emphasis of weatherization going forward and will continue to be a challenge. Weatherization measures are high cost, low yield measures and tend to bring down cost-effectiveness. Some weatherization measures, such as adding attic insulation are long-

lasting and the benefits may not be fully captured in a 20-year BCA. There are similar BCA results for the Residential Income-qualified (REAP) Program, since for 2026, this program will consist of mostly smart thermostats, light weatherization, and water conservation measures.

2.2.5. Implementation Services

PSEG Long Island is currently partnered with TRC[72] to deliver the Utility's BEE programs. This partnership is governed by a master services agreement (MSA) that has been effective since 2015 with Lockheed Martin, whose Distributed Energy Solutions group was acquired by TRC Companies in November 2019. TRC is a global consulting, engineering, and construction management firm that provides technology-enabled solutions to the power, oil & gas, environmental, and infrastructure markets. The scope of the MSA includes design and implementation of residential and commercial BEE. TRC implements and provides day-to-day management of most of the BEE programs offered under the PSEG Long Island brand. PSEG Long Island retains overall planning, budgeting, and advertising functions.

Program implementation includes ongoing analysis and continuous improvement of implementation methods in program delivery, market support, and deviations from planned measure mix. Implementation also includes activities such as qualifying new products, qualifying projects, validating project scopes, conducting pre- and post-inspections, processing rebates, issuing payments, engaging contractors, and training stakeholders. TRC provides customer service and technical assistance, including customer consultations, design collaboration, and customer support in developing energy plans and customized engineering studies. TRC is responsible for program analytics, including pipeline, product, and results reporting. TRC works in collaboration with the PSEG Long Island's program planning and evaluation team, participating in annual program evaluation and ensuring best practices are established and followed throughout the programs.

2.2.6. Clean Energy Hub Coordination

The Long Island Regional Clean Energy Hub has an experienced focus on clean energy, EE, workforce and economic development, education, home weatherization, health, and housing.[73] PSEG Long Island works with the Clean Energy Hub on all programs, with an increased emphasis on programs catering to low-income and DAC populations. This

[72] At the time of this Utility 2.0 Plan, PSEG Long Island is in the midst of a procurement process for the provision of implementation services for its BEE programs as the current contract with TRC will expire at the end of 2025. While no award has been made, the bids received were competitive and the budget set forth in this filing represents the energy savings (MMBtu) to occur for 2026.
[73] Long Island Regional Clean Energy Hub (lismartenergychoices.org). (*See* **Appendix E** for URL address).

coordination effort is supported through routine monthly meetings, as well as information sharing regarding plans and activities scheduled on a programmatic basis.

2.2.7. Energy Savings Portfolio of Programs

PSEG Long Island Administered Programs

DLM Tariffs Program

Please see **Chapter 4 (Demand Flexibility & Distributed Energy Resources)** for more information and updates about the DLM Tariffs Program, including the recent addition of EV customer participation.

Home Energy Management (HEM) Behavioral Initiative

The Home Energy Reports of HEM will be discontinued starting in 2026 due to the May 2025 Orders, which prohibit the use of ratepayer funds for Home Energy Reports.

TRC Administered Programs

Table 2-8 lists the programs offered under this BEE Plan that are administered by TRC and how they serve different customer segments.

Table 2-8. Summary of BEE Programs Implemented by TRC

Customer Segment Served	Programs Administered by TRC
Residential	Energy Assessment (including LMI)
	Residential Income-Qualified (REAP)
	Building Envelope
	Space Heating
	Water Heating
	Efficient Products
Commercial	Energy Assessment
	Building Envelope
	Heat Pumps
	Custom
	Efficient Products
	Energy Efficiency Services
Multi-Family	Multi-Family In-Unit ASHP & VRF
	Common Area ASHP & VRF
All	PSEG Long Island Marketplace

LIPA Administered Program

PSEG Long Island's 2026 BEE Plan also includes the NYS Homes and Community Renewal Program, which will be administered by LIPA.

The New York State Homes and Community Renewal (HCR) Program is a component of NYSERDA's Clean Energy Initiative and supports the CLCPA. The HCR program's objective is to "emphasize the importance of improving building EE and transitioning from fossil fuels to efficient electric solutions."[74] See **Section 2.5.2** for more information on the HCR program.

2.2.8. Evaluation, Measurement, and Verification

PSEG Long Island works with a third-party consulting firm to conduct annual program and portfolio evaluations of the BEE programs as well as develop any ad hoc evaluation studies deemed necessary.

As part of the annual evaluation cycle, the third-party evaluator will produce two volumes: Volumes I and II. Together, these volumes will comprise the Annual Evaluation Report. Volume I will provide an overview of evaluation findings, including impact and process results for 2026. Volume II of the 2026 Annual Evaluation Report, the Program Guidance Document, will provide a detailed program-by-program review of gross and net impacts of the BEE portfolios along with process evaluation findings and a discussion of data collection and analytic methods. The program guidance document is developed to provide PSEG Long Island and its implementation contractor, TRC, with data-driven planning actions moving forward and full transparency for the methods employed to calculate energy and demand savings. Annual Evaluation Reports consist of the following four overarching categories:

Verified Ex-Ante

- Independently calculate program impacts using the methods and assumptions approved by PSEG Long Island. Determine energy, demand, and environmental impacts achieved from each BEE program
- Compare the results to the ex-ante gross (claimed) values submitted by the implementation contractors to determine ex-ante realization rates

Impact Evaluation

- Determine energy, demand, and environmental impacts achieved from each BEE program

[74] https://hcr.ny.gov/clean-energy-initiative. (*See* **Appendix E** for URL address).

- Conduct cost-effectiveness analysis for each BEE program

Process Evaluation

- Assess how efficiently a program is being implemented by evaluating the operational efficiency of program administrators and contractors
- Conduct gap analyses to identify strengths, opportunities, and improvements in program tracking data collections necessary for savings calculations and other evaluation processes and studies

Economic Impact Analysis

- Assess the economic impacts of the BEE portfolios' investments on the economy of Long Island as part of the evaluation team's annual evaluation efforts
- The third-party evaluator will provide 1-year and 10-year economic impacts estimates associated with the 2026 BEE portfolio investments, where the 10-year economic impacts accrue from measures installed in 2026 over their remaining measure life.

2.3. Residential Building Efficiency and Electrification

PSEG Long Island understands the importance of delivering engaging and educational residential programs. Each component of the Residential Building Efficiency and Electrification program plays a core role in the customer journey towards an energy efficient home.

There are programs for income-qualified customers, Market Rate customers, and customers who reside in DACs. Regardless of a customer's income level, PSEG Long Island has a residential program that will have an impact on their energy usage and their home and align with New York State's goals and objectives.

Income-qualified, Market Rate, and DAC rebates are available for whole-house heat pumps, ENERGY STAR heat pump water heaters, and weatherization. Market Rate and DAC incentives are also available for Smart Thermostats. For the more vulnerable customer population, a direct install (DI) component under the income-qualified program is also available. With all customer energy journeys, the key is to engage with the customer in a manner that they can understand and establish a baseline of the home's existing conditions.

2.3.1. Energy Assessment

A comprehensive energy assessment is the gateway to a customer's EE journey. PSEG Long Island offers free energy assessments to eligible Market Rate and income qualified single-family home customers. Free home energy assessments are conducted by approved and vetted PSEG Long Island Partners, who are Building Performance Institute certified and knowledgeable on PSEG Long Island residential programs. Customers who wish to receive

a free Home Energy Assessment can apply directly through the PSEG Long Island Home Energy Assessment Online Application. If the customer is eligible, the selected PSEG Long Island Partner will communicate with them to schedule their free assessment within 5-7 business days of Online Application submittal.

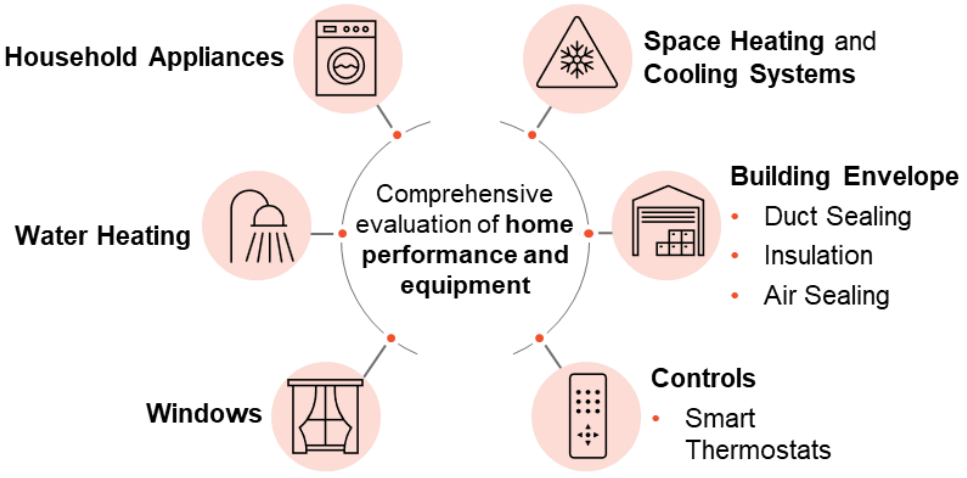
The Home Energy Assessment is a critical program component as the findings of the assessment educate customers on energy deficiencies found in their homes. If a home has poor insulation or warrants air sealing, the PSEG Long Island Partner notes these findings and directs the customer to the Building Envelope program. If a customer has an outdated fossil fuel heating system and could benefit from a new cold climate air source heat pump, that customer is directed to the Space Heating program. Customers may opt to participate in one offer, or they may take advantage of both Building Envelope and Space Heating options in one project (a “combination” project).

It should be noted; a free home energy assessment is not mandatory for program participation, but it is highly recommended as the first step for a comprehensive evaluation of the services a customer may benefit from.

2.3.1.1. Description

Customers who request a free home energy assessment receive a comprehensive evaluation of their home’s performance and equipment (*see* **Figure 2-2**). An approved PSEG Long Island Partner will analyze and document their findings in a PSEG Long Island branded data collection tool.

Figure 2-2. Residential Evaluation of Home Performance and Equipment



If a customer chooses, the approved Partner may also conduct a Blower Door test (BDT) to better understand and advise the customer on the performance of the home.

Upon completion of the free energy assessment, the Partner will finalize documentation of their findings. The Partner will schedule a follow-up call or a home visit with the customer to provide a PDF summary of the assessment results and discuss their next steps to making their home more efficient. It is estimated that 7,000 Energy Assessments will be conducted in the 2026 Program Year.

2.3.1.2. Target Customers

Market Rate Customer

Single-family (including condominiums) Market Rate customers are eligible for free home energy assessments. Customers are eligible for two home energy assessments per account.

Please note, income eligibility is not a component of the Home Energy Assessment. However, customers who may qualify as LMI during energy assessment are referred to the respective programs available for income-qualified customers. Please refer to **Section 2.3.2** for further discussion on income-qualified program offering.

2.3.1.3. Notable Changes

The Energy Assessment program provides a “Thank-You Kit” to all participating customers upon assessment completion. Historically, the “Thank-You Kit” contained LED Bulbs, and then Advanced Power Strips. In 2025, the “Thank-You Kit” transitioned to a $20 Marketplace Voucher.

Starting in 2025, Residential Energy Assessment participants have access to a new tool called MyHEAT. MyHEAT is a technology that uses aerial thermal infrared images of rooftops to help customers assess heat loss and visually pinpoint where heat may be escaping from their homes. Once an energy assessment is scheduled, customers receive a link to their MyHEAT profile to understand their homes building envelope. PSEG Long Island Partners review the MyHEAT data with the customer to connect the customer to the Building Envelope and Space Heating programs.

In 2026, the Residential Energy Assessment team will work towards adding a “scope” template to the Energy Assessment data collection tool. The addition of this tab will assist in standardizing the scope for all subsequent projects and allow the customer to receive quotes from multiple PSEG Long Island approved partners. To further this effort, a streamlined approach to allow customers to request Home Energy partners to bid on customer scopes will also be implemented. A pre-assessment checklist will also be developed and sent to customers via e-mail before their assessment. The pre-assessment checklist will contain reminders about the assessment and what to expect. There will also be questions for the participant such as:

- Do you think you may qualify as low-to-moderate income?
- Would you like to learn more about low-to-moderate income programs?

These questions will better prepare the customer on information they should be seeking based on their needs and program interests and aid the Partners in referring the customers to the appropriate residential programs and offerings.

2.3.1.4. Measures and Incentives

All customers who participate in the free Home Energy Assessment receive a PSEG Long Island Marketplace Voucher for $20 via email upon completion of the Energy Assessment. The voucher can be applied to cover up to $20 of the total cost for products purchased on the Marketplace. The customer is responsible for the remaining costs. No savings have been associated with the issuance of this voucher in this 2026 BEE Plan.

Table 2-9. Residential Energy Assessment Measures and Incentives

Target Market	Measure	2026 Planned Units	Measure Rebates
Market Rate	PSEG Long Island Marketplace Voucher (Home Energy Assessment)	5,000	$20

2.3.1.5. Marketing and Outreach

Program awareness for the Residential Energy Assessments offering is driven primarily through PSEG Long Island Partner engagement, PSEG Long Island sponsored events, such as home shows and street fairs, direct mailers, the PSEG Long Island website, and the Energy Assessment Online Application.

2.3.2. Residential Income-qualified Program (Currently called Residential Energy Affordability Partnership Program)

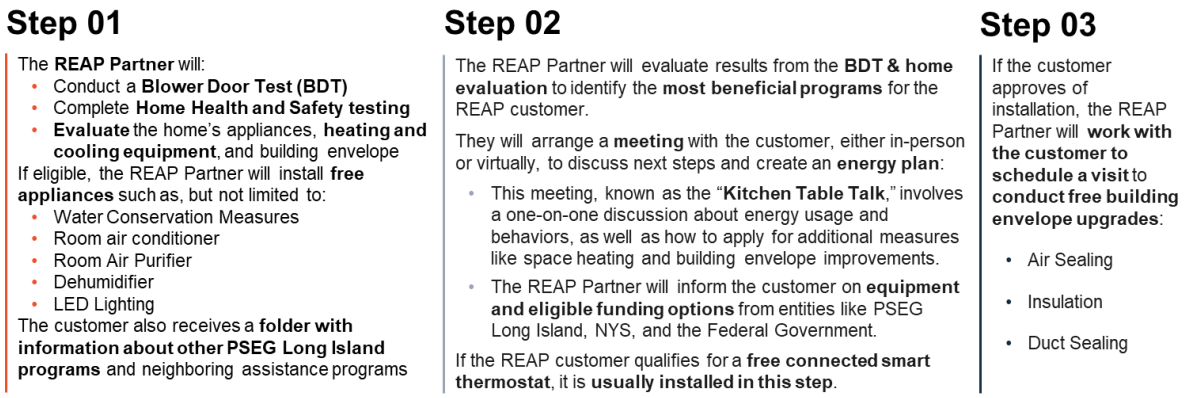
The REAP program offers a comprehensive free home energy assessment, health and safety testing, direct install of EE measures, water conservation measures, and “light” building envelope upgrades. To align with guidance from the May 2025 Orders, appliances have been discontinued from the REAP program.

2.3.2.1. Description

REAP customers may receive up to three visits during program participation. REAP visits are conducted by a Building Performance Institute (BPI) certified, and approved, PSEG Long Island Partner. REAP customers may apply through the program using the “mini” application found on the PSEG Long Island website and schedule their visit either through the scheduling platform Calendly or the REAP call center.

Figure 2-3 below showcases the typical steps for a REAP project. It is estimated that 2,000 REAP assessments will be conducted in the 2026 Program Year.

Figure 2-3. REAP Project Process



2.3.2.2. Target Customers

Income-qualified Customer

Single-family income-qualified customers are eligible for free home energy assessments. Customers are eligible for two home energy assessments per account. Please note, income eligibility is not a component of the Home Energy Assessment. However, customers who may qualify as LMI are referred to the respective programs available for income-qualified customers. Per the recent May 2025 Orders, low-income customers must have a household annual income at or below 60% of State Median Income or 60 % of Area Median Income, whichever is higher.[75] Income determination is completed by Slipstream and Energy Finance Solutions and is required to ensure appropriate income-qualified rebates. For the purposes of the PSEG Long Island programs, low-income customers are categorized as 60% State Median Income and moderate-income customers as 60% Area Median Income.

LMI customers are also eligible for the income-qualified (Residential Energy Affordability Program (REAP)) energy assessment and offerings. This energy assessment pathway is available to PSEG Long Island customers who fall within the 60% State Median Income and 60% Area Median Income Eligibility guidelines. The REAP income eligibility has shifted from 80% State Median Income to 60% Area Median Income to align with New York State guidelines. Income eligibility is determined by PSEG Long Island by reviewing income certification documents such as, but not limited to, a W-2 or Department of Social Security

[75] Case 25-M-0249, page 74.

statement. Customers are eligible to participate in the REAP program once every five years. REAP eligibility is open to single-family and multi-family owners and renters.

2.3.2.3. Notable Changes

The Energy Assessment program provides a “Thank-You Kit” to all participating customers upon assessment completion. Historically, the “Thank-You Kit” contained LED Bulbs, and then Advanced Power Strips. In 2025, the “Thank-You Kit” transitioned to a $30 Marketplace Voucher for the income-qualified customers in lieu of a free Advanced Power Strip.

As discussed in the **Section 2.3.1.3**, MyHEAT data will also be available to REAP customers in 2026 and included in the “Kitchen Table Talk”. Please refer to **Section 2.3.1.3** for other services that will also be available to income-qualified customers.

2.3.2.4. Measure and Incentives

Income-qualified customers who participate in the REAP Program also receive a PSEG Long Island Marketplace Voucher for $30 via email upon completion of the Energy Assessment. The voucher can be applied to cover up to $30 of the total cost for products purchased on the Marketplace. The customer is responsible for the remaining costs. The email that contains the voucher will also include a link to the PSEG Long Island Marketplace, as well as guidance to navigate DIY measures and how-to videos found in the Marketplace. Similar to the voucher for Home Energy Assessments for Market Rate customers, no savings have been associated with the payment of this voucher for purposes of computing planned 2026 savings.

In addition to the PSEG Long Island Marketplace Voucher, REAP customers are also eligible for free direct installation measures and light building envelope upgrades, and will receive a $50 bill credit for program participation.

Table 2-10. Residential Energy Assessment (Income Qualified) Measures and Incentives

Measure	2026 Planned Units	Measure Rebates
PSEG Long Island Marketplace Voucher (REAP)	2,000	$30
Water Temperature Turndown	10	–
Faucet Aerators/unit	400	–
Low Flow Showerheads/unit	180	–
Thermostatic Valve	135	–

Measure	2026 Planned Units	Measure Rebates
Pipe Insulation/ln ft – Electric ONLY	215	–
Pipe Insulation/ln ft – FF Baseline	200	–
Nightlight	1,575	–
LED Bulbs	12,000	–
Smart Thermostats – Connected	1,500	–
Attic Hatch Insulation	350	–
Water Heater Blanket Insulation – Electric Only	100	–
Door Sweep	550	–

2.3.2.5. Marketing and Outreach

In addition to Marketing and Outreach efforts discussed in **Section 2.3.1.5**, program awareness is also driven through direct interactions with members of the REAP Team at community events, most notably the REAP Energy Forum for Advocates. The REAP Energy Forum for Advocates is an annual event organized by the REAP Program Manager. The event provides a platform for LMI advocates to learn about the services available to the income-qualified population from PSEG Long Island and neighboring assistance programs.

2.3.3. Building Envelope

A well weatherized home can result in a reduction in energy usage and save money on utility bills, while optimizing the comfort of the home. Newly installed building envelope upgrades have an effective useful life of 15 years for air sealing and 30 years for insulation. The Residential Building Envelope Program provides rebates and incentives to all eligible target customer segments to upgrade their existing building envelope. The program is marketed to oil, propane, natural gas, and electric heating customers. PSEG Long Island may continue to serve natural gas customers until a natural gas or regional weatherization program is launched in the downstate region.

Many of the leads to the Residential Building Envelope program are a direct result of customer participation in the Residential Energy Assessment program. The Residential Building Envelope program also works side by side with the Residential Space Heating program to deliver customers a one-stop-shop for a weatherized home that is considered heat pump ready.

2.3.3.1. Description

The Residential Building Envelope program provides a participation pathway for all customers to achieve well-weatherized, heat pump ready, homes. Eligible existing single-family homeowners qualify for duct sealing, insulation, air sealing, and window upgrades.

To align with the PSC's weatherization and heat pump-ready focus, rebate levels for all customer segments (Market Rate, DACs, and low-income customers) have increased substantially in comparison to historical rebate amounts. The increase in rebate levels is critical to motivating customers and stimulating the market. PSEG Long Island has also increased the number of planned projects for the Market Rate customer segment by 42% for 2026. The planned projects for the low-income customer segment have remained the same.

The 2026 Program Year will be a transitional year for the PSEG Long Island Building Envelope Program as it works to engage the market, neighboring utilities, and support workforce development efforts needed to achieve New York State's goals. In the most recent May 2025 Orders, the PSC noted that program administrators have existing decarbonization programs in place that can be built upon but the "contractor installation capacity can limit the ability for these programs to scale […]"[76] Workforce development will be a core tenet in the success of achieving New York State's goal of requiring minimum building weatherization levels as a pre-requisite to receiving whole-house heat pump incentives by March 2028. By using 2026 as a transitional year, PSEG Long Island will maintain a consistent offering to the market and maintain the trust of customers and partners, while working towards 2027 implementation and coordination goals, 2028 weatherization minimums, and increasing the capacity of installation contractors. In 2026, PSEG Long Island will work with neighboring utilities to coordinate a downstate regional weatherization offering for the market for 2027.

During a building envelope upgrade project, customers can expect to receive a blower door test to ensure the appropriate insulation and air/duct sealing levels are achieved. Insulation may be installed in attics, exterior walls, garage/overhang, and basement ceiling. Air sealing will be conducted first before insulation is installed in the designated location to align with BPI standards. Duct Sealing may be installed in the following unconditioned spaces: Attic, Crawl Space, Basement, and Garage. Insulation and air sealing are required for all projects to be eligible for rebates.

Customers who wish to achieve a whole-house electrification solution may also install whole-house heat pump for space heating and ENERGY STAR electric heat pump water heater for water heating during a building envelope upgrade project. This type of project is considered

[76] Case 25-M-0249, Page 39.

a combination project. Note that the installation of windows is only permissible through a combination project, in which a customer chooses to install whole-house heat pumps with weatherization upgrades.

Customers may be eligible for funding through the NYSERDA EmPower+ Program. Homeowners are encouraged to work with contractors that also participate in NYSERDA's EmPower+ Program. EmPower+ helps LMI households save energy and money toward energy improvements made to their primary residence. The EmPower+ Program is open to income-eligible owners and renters of one- to four-family households. Income eligibility is determined by Energy Finance Solutions (EFS) and Slipstream. Eligible customers also have access to financing through their PSEG Long Island Partner and their relationship with the Green Jobs Green New York program.

PSEG Long Island Building Envelope Partners who participate in the Residential Building Envelope Program are eligible for per project incentives. Partners who complete Market Rate projects may receive a $150 contractor incentive and for low-income Projects a $250 contractor incentive. If a Partner completes a combination project, they receive a $500 contractor incentive. All PSEG Long Island Building Envelope Partners are trained and vetted. Prospective Home Performance contractors must submit a signed PSEG Long Island Home Performance Contractor Participation Agreement and provide documentation showing proof of business identification, financial condition, insurance, licensing, satisfactory customer relationships, and BPI Gold Star Status.

Per 2025 Partner enrollment data, 22 partners have been approved to participate in this program. It should be noted that among the 22 partners, there are also partners who participate in the Residential Space Heating program.

2.3.3.2. Target Customers

Market Rate

Existing single-family homeowners who heat their home with oil, propane, natural gas, or electricity are eligible. Beginning in 2026, Market Rate customers may participate once every two years for a weatherization upgrade.

LMI / DAC Customer

Existing single-family homeowners who heat their home with oil, propane, natural gas, or electricity are eligible. Low-income customers must have a letter from EFS and Slipstream that confirms their low-income eligibility. Beginning in 2026, low-income customers may participate once every two years. Low-income customers are qualified as customers who fall within the 60% State Median Income guidelines. Moderate customers fall within the 60% Area Median Income guidelines but above the DAC income guidelines.

DAC customers must reside within a geographic census tract that has been designated as a DAC by NYSERDA.

2.3.3.3. Notable Changes

The Residential Building Envelope Program will continue to promote and prioritize heat pump ready homes.

Customer eligibility and rebates will be adjusted for the 2026 program year to provide increased benefits and opportunities to customers to achieve heat pump ready homes. Customer eligibility will be updated to allow participation once every two years. Eligibility was previously once per residential customer account until the customer reached their per project rebate cap. Market Rate customers may qualify for a per project rebate cap of $4,000. Market Rate customers who reside in DACs or customers who qualify as moderate-income (60% Area Median Income) may qualify for a $5,000 per project rebate cap. In an effort to align the income-qualified program offerings with those available to customers in the rest of the state, all customers identified as low-income (60% State Median Income) via the Residential Building Envelope Program or the Residential Income-Qualified Program may also qualify for an $8,000 per project rebate cap for the weatherization upgrades.

To engage more customers in 2026, the program team will engage with realtors and developers to improve customer awareness on building envelope upgrades. New homeowners and developers may not be aware of the rebates offered to improve the building envelope, and how those rebates can help offset some of the costs associated with buying an older home or a home that requires significant upgrades.

2.3.3.4. Measure and Incentives

Figure 2-4 and **Table 2-11** show the Residential Building Envelope measures and incentives available for residential customers.

Figure 2-4. Residential Building Envelope Measures and Incentives Description

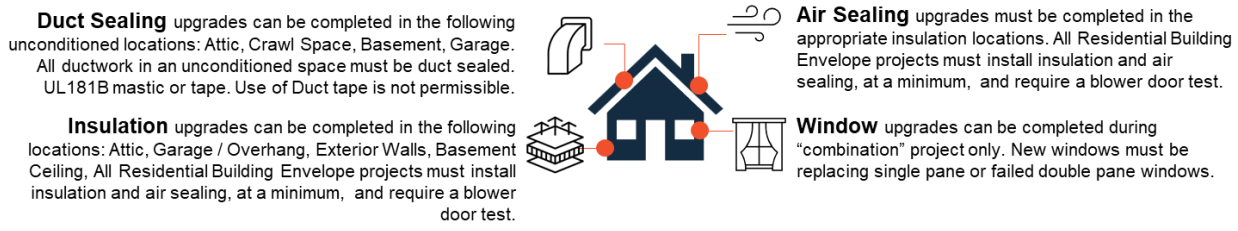


Table 2-11. Residential Building Envelope Measures and Incentives

Target Market	Measure	2026 Planned Units	Measure Incentives	Measure Rebates
Market Rate	Weatherization (All Fuels) Projects	750	$150	$4,000
	Window Projects	12	–	$3,000
Low-Income	Weatherization Low-Income Projects	900	$250	$8,000
	Window Projects	7	–	$4,500

2.3.3.5. Marketing and Outreach

The Residential Building Envelope program engages with customers through PSEG Long Island sponsored events, such as home shows and street fairs, direct mailings, the PSEG Long Island website, and by the approved PSEG Long Island Partners.

The PSEG Long Island Partners are key components to customer participation. Partners engage with customers through the Energy Assessment Program and work directly with the customers to encourage deeper program participation. Partners are rewarded for their program efforts through initiatives such as, but not limited to, workforce development support, tool/training reimbursement, and a 50/50 marketing cost share program. The PSEG Long Island Team is available as needed for Partner support and hosts the weekly PSEG Long Island Open-House meetings to answer all program related questions.

Also notable, the Residential Building Envelope team engages monthly with the Long Island Building Performance Contractors Association (BPCA) to understand challenges contractors may be facing and provide a platform for feedback.

2.3.4. Heat Pumps

A whole-house electric space heating and water heating solution can reduce a customer's monthly heating bill, optimize occupant home comfort, and reduce energy usage and fossil fuel consumption.

Whole-house heat pumps, like cold climate air source heat pumps (ASHPs), are typically two to three times more efficient than traditional fossil fuel space heating systems. A newly installed cold climate air source heat pump (ccASHP) or air-to-water heat pump (AWHP) has an effective useful life of 15 years. A geothermal heat pump system has an effective useful life of 25 years. A new ENERGY STAR electric heat pump water heater has an effective useful life of 10 years. It is critical that the PSEG Long Island engages with customers before their existing equipment fails to encourage and promote the installation of new whole-house heat pumps or a heat pump water heater.

The Residential Heat Pump Program provides rebates and incentives to eligible single-family homes to upgrade their existing space heating and water heating equipment. Rebates and incentives are available for Market Rate, DAC, and LMI customers. Customers who participate in the Residential Building Envelope program may also be eligible for space heating and water heating rebates (a “combination” project).

2.3.4.1. Space Heating

The Residential Space Heating Program provides rebates and incentives for the purchase and installation of ducted and ductless whole-house space heating solutions.

A whole-house installation is defined as space heating equipment that is designed to meet the 100%-120% of the building’s designed/sized heating load of the entire home. The newly installed space heating system must be installed as the primary heating system for the home. Please note, integrated controls are required if the customer opts to retain their existing fossil fuel heating system as a secondary, backup heating source.

Description

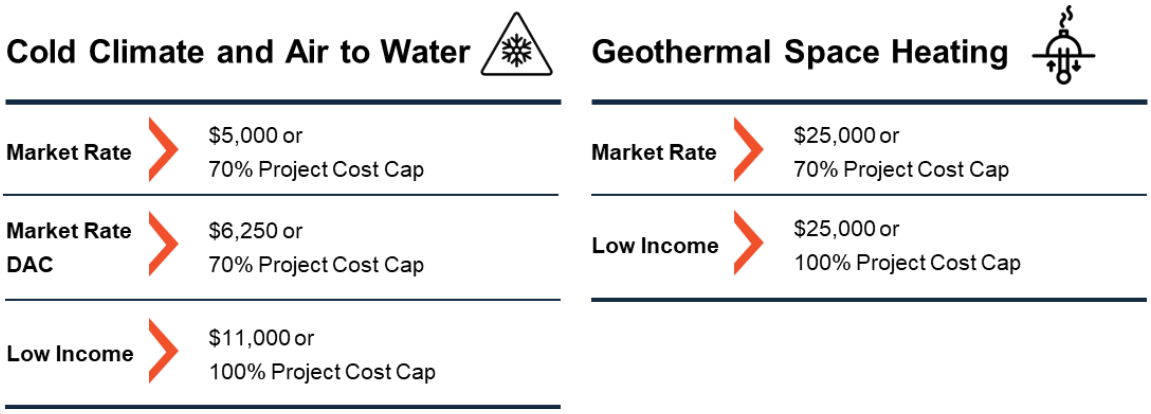
The Residential Space Heating Program provides Market Rate, DAC, and LMI rebates for whole-house heat pump solutions. Whole-house heat pump solutions include ccASHPs, AWHPs, and Geothermal Ground Source Heat Pumps (GSHPs).

ccASHPs and AWHPs must meet 100%-120% (previously 90%-120%) of the design-day heating load for the entire home and all projects require an Air Conditioning Contractors of America (ACCA) approved Manual J. Geothermal Space Heating systems must be sized in accordance with International Ground Source Heat Pump Association (IGSHPA) and ACCA best practices.

ccASHPs must be NEEP (Northeast Energy Efficiency Partnerships) listed. AWHPs must be listed on the New York State Clean Heat Qualified Product List. ccASHPs and AWHPs are rebated based on the total heating capacity of the installed heat pump and rebates cap at 6 tons. Please note, for ccASHPs, the heating capacity is based on the equipment rated at 17°F and for AWHPs the nominal heating capacity is used. Geothermal GSHPs must meet ENERGY STAR Tier 1 specifications and are rebated on a per ton basis.

The per project rebate caps are shown in **Figure 2-5** for space heating equipment.

Figure 2-5. Residential Space Heat Rebate Caps



Customers may be eligible for funding through the NYSERDA EmPower+ Program. Homeowners are encouraged to work with contractors that also participate in NYSERDA's EmPower+ Program. EmPower+ helps LMI households save energy and money toward energy improvements made to their primary residence. The EmPower+ Program is open to income-eligible owners and renters of one- to four-family households.

PSEG Long Island Partners who participate in the Residential Space Heating Program are eligible for a $500 per project incentive. PSEG Long Island Partners are trained and vetted. New and existing partners must complete the Space Heating Quality Installation Verification (QIV) training to understand all program rules and requirements, such as proper Manual J Load Calculations and testing of airflow and refrigerant charge.

Per 2025 Partner enrollment data, 146 partners have been approved to participate in this program. It should be noted that among the 146 partners, there are also partners who participate in the Residential Building Envelope program.

In 2026, similar to 2025, the Residential Space Heating program will continue to engage the market through a robust Whole-House Cold Climate Air Source Heat Pump Program. To align with New York State's heat pump goals, the 2026 Whole-House Cold Climate Air Source Heat Pump planned unit count is approximately 37% higher than the 2025 planned unit count. The number of whole-house ccASHPs increased by 27% for income-eligible units and 41% for non-income-eligible units. Please note, PSEG Long Island will continue to promote the installation of whole-house space heating systems, however, to better align with New York State's overall electrification objectives, PSEG Long Island will emphasize the importance of building envelope upgrades before heat pump installation to align with NYSERDA's "efficiency first" approach, once established. The efficiency first approach,

"involves the development of an envelope performance requirement that homes would have to meet before being assessed or incentivized for electrification."[77]

Notable Changes

In the 2025 program year, the below notable changes were implemented in the Residential Space Heating Program:

- Rebates were discontinued for Integrated Controls (IC) where existing fossil fuel systems remain in place as a secondary heating source. It should be noted that Integrated Controls are still required in these instances.
    - In 2025, PSEG Long Island conducted a study to evaluate and compare the behavior of customers with integrated controls against customers that had fully decommissioned their fossil fuel heating systems. Comparing the winter usage of 200 integrated controls to that of 200 decommissioned systems, it was found that the integrated controls behaved differently than anticipated. In the winter at temperatures as high as 25 degrees, certain IC systems would default to back-up fuel and cut electricity usage to the heat pump. The set points of the controls were inconsistent across different customers and significantly reduced the electrification benefits of heat pumps when compared to decommissioned systems. As a next step, PSEG Long Island is planning to survey customers (fully decommissioned versus Integrated Controls installed) to determine their experiences in either situation. As more data becomes available along with outreach to customers and partners, PSEG Long Island aims to determine a new strategy for Integrated Controls by 2026.
- Rebates were discontinued for the "Equipment Only" ducted/ductless cold climate heat pump offering. Also in 2025, a paperless online application option for up to four whole-house heat pump units was launched to the PSEG Long Island Partner Portal. The paperless option allows contractors to either submit project photos and installation specifications post-installation through the PSEG Long Island Partner Portal or submit pre-installation equipment data to reserve a rebate for that equipment for 90 days.

New in the 2026 program year, to emphasize the decommissioning of fossil fuel systems, a $250 decommissioning bonus will be available to customers who fully decommission their existing fossil fuel systems.

[77] Case 25-M-0249, Page 77.

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Target Customers

Market Rate Adoption

Existing single-family homeowners who heat their home with oil, propane, natural gas, or electric are eligible. Market Rate customers may participate in the Residential Space Heating Program every five years for space heating equipment. The retrofit of systems less than five years old that were previously rebated by PSEG Long Island are not eligible for another rebate unless the Seasonal Energy Efficiency Ratio (SEER) level of the replacement unit is higher than the existing unit by at least one full SEER level.

LMI / DAC Customers

Existing single-family homeowners who heat their home with oil, propane, natural gas, or electric are eligible. It should be noted, to "maximize the energy affordability benefits for LMI customers[78]," those LMI customers who utilize delivered fuels and electric resistance for their heating needs will be prioritized for conversions to ASHPs.

Low-income and DAC customers may participate in the Residential Space Heating Program every five years for space heating equipment. Please note, the retrofit of systems less than five years old that were previously rebated by PSEG Long Island are not eligible for another rebate unless the SEER level of the replacement unit is higher than the existing unit by at least one full SEER level.

Low-income customers must be qualified as low-income by Energy Finance Solutions (EFS) and fall within the 60% State Median Income guidelines. Moderate Income customers must fall within the 60% Area Median Income guidelines.

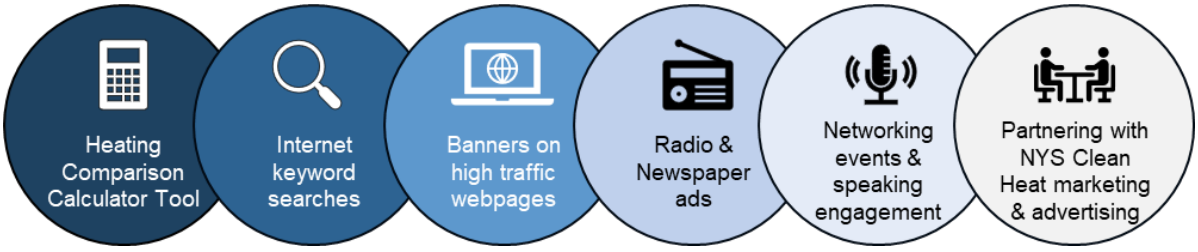
DAC customers must reside within a census tract that has been designated as a DAC by NYSERDA.

Marketing and Outreach

The Residential Space Heating program engages with customers through PSEG Long Island sponsored events, such as home shows and street fairs, direct mailings, the PSEG Long Island website, and by the approved PSEG Long Island Partners. Additional avenues for marketing are shown in **Figure 2-6**.

[78] Case 25-M-0249. Page 82.

Figure 2-6. Residential Space Heating Marketing and Outreach Avenues



The Residential Space Heating program also engages on a regular basis with the approved PSEG Long Island Partner base. Partners are key to the success of the Space Heating program. The Residential Space Heating program provides Partners with per project installation incentives, workforce development support, tool/training reimbursement, case study promotion, and a 50/50 marketing cost share program. Communications are also sent to Partners regularly to keep them informed on program updates, new offerings, program in-person trainings and webinars. The PSEG Long Island Team is available as needed for Partner support and hosts the weekly PSEG Long Island Open-House meetings to answer all program related questions.

Measures and Incentives

Residential Space Heating program offers rebates for whole-house ducted/ductless cold climate Air Source Heat Pump, Air to Water Heat Pump, and Ground Source Heat Pump. **Table 2-12**Table 2-12 provides the rebates and incentives amounts as well as number of dwellings with heat pump planned in 2026.

Table 2-12. Residential Space Heating Measures and Incentives

Target Market	Measure**	2026 Planned Dwellings	Measure Incentives	Measure* Rebates
Market Rate	Whole-House ccASHP Electric Baseline	297	$563	$3,686
	Whole-House ccASHP Fossil Fuel Baseline	3,037	$563	$3,686
	Whole-House Air to Water Heat Pump	11	$500	$2,030
	Whole-House Ground Source Heat Pump (New)	49	$500	$8,271
	Whole-House Ground Source Heat Pump (Retrofit)	49	$200	$1,922

Target Market	Measure**	2026 Planned Dwellings	Measure Incentives	Measure* Rebates
	Ground Source Heat Pump – Desuperheater[79]	14	–	$250
Low-Income	Whole-House ccASHP Electric Baseline	34	$575	$9,539
	Whole-House ccASHP Fossil Fuel Baseline	1,071	$575	$9,539
	Whole-House Air to Water Heat Pump	5	$500	$4,516
	Whole-House Ground Source Heat Pump (New)	1	$500	$16,543
	Whole-House Ground Source Heat Pump (Retrofit)	1	$200	$3,844

**"Measure Rebates" in the above table reflect per system rebates, based on 2026 planning assumptions*
***Measure includes existing equipment scenario – e.g., "Whole-House Fossil Fuel Baseline" indicates the existing equipment is a fossil fuel heating system*

Please note, the decommissioning bonus of $250 is not included in the above. As per the historical trend, it is anticipated that 25% of Market Customers will decommission and 30% of low-income customers.

Window Saddle Heat Pump Units

Window Saddle Heat Pump units were mentioned as an additional heat pump measure in the LIPA's Clean Energy Report. PSEG Long Island was planning to explore this for a possible inclusion in the 2026 Residential Space Heating program; however, further research suggests that this measure may not be a likely candidate for 2026. Window Saddle heat Pumps may still be in early market development stages and require robust field validation of performance. While NYSERDA has successfully deployed window saddle heat pumps in New York City Housing Authority, there are still barriers for deployment. The Homes and Community Renewal (HCR) program, which will target multi-family buildings at scale, might present an ideal opportunity for the deployment of window saddle heat pumps on Long Island. While no window saddle units are currently forecasted in the 2026 plan, should the opportunity for installations within our service territory occur, PSEG Long Island would find a way to incorporate them into the rebate program.

[79] Ground Source Heat Pump De-superheaters are in units, not dwelling units.

2.3.4.2. Water Heating

The Residential Water Heating Program provides rebates and incentives for electric ENERGY STAR Heat Pump Water Heaters as well as for Ground Source Heat Pump Water Heaters.

Customers who participate in the Building Envelope Program or Space Heating Program may be eligible to install a qualified ENERGY STAR Heat Pump Water Heater during those associated projects to receive a rebate. Customers may also purchase a qualifying Heat Pump Water Heater as a stand-alone product and apply for a rebate through the PSEG Long Island Residential Online Application.

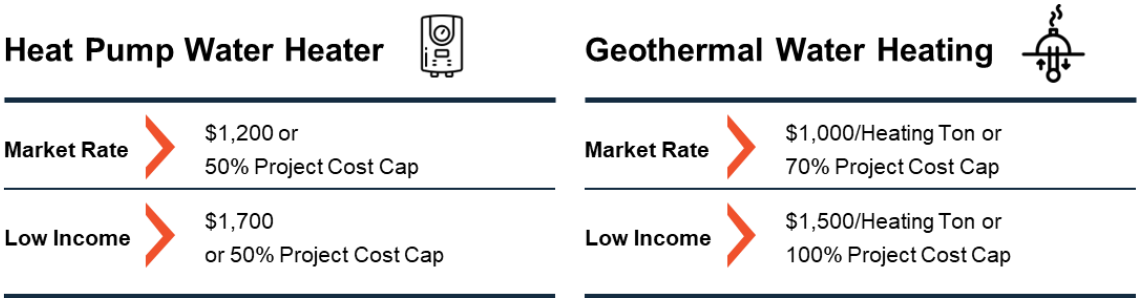
Description

The Residential Water Heating Program provides Market Rate and low-income rebates for ENERGY STAR Electric Heat Pump Water Heaters and Geothermal Dedicated Water Heating systems.

Eligible Heat Pump Water Heaters (HPWH) must be either <55 Gallons or > 55 Gallons and on the ENERGY STAR Qualified Product List at time of purchase. Geothermal Dedicated Water Heating systems must have a minimum COP of 3.1 for water-to-water closed loops and a minimum COP of 3.5 for water-to-water open loop systems.

The per unit rebate caps are shown in **Figure 2-7** for water heating equipment:

Figure 2-7. Residential Water Heating Rebate Caps



PSEG Long Island Partners who participate in the Residential Water Heating Program are eligible for a $100 per project incentive.

Per 2025 Partner enrollment data, 61 partners have been approved to participate in this program. It should be noted that among the 61 partners, there are also partners who participate in the Residential Building Envelope Program and Space Heating Program.

Target Customers

Market Rate Customers

All single-family Market Rate customers may apply for a water heating rebate once every five years.

LMI / DAC Customers

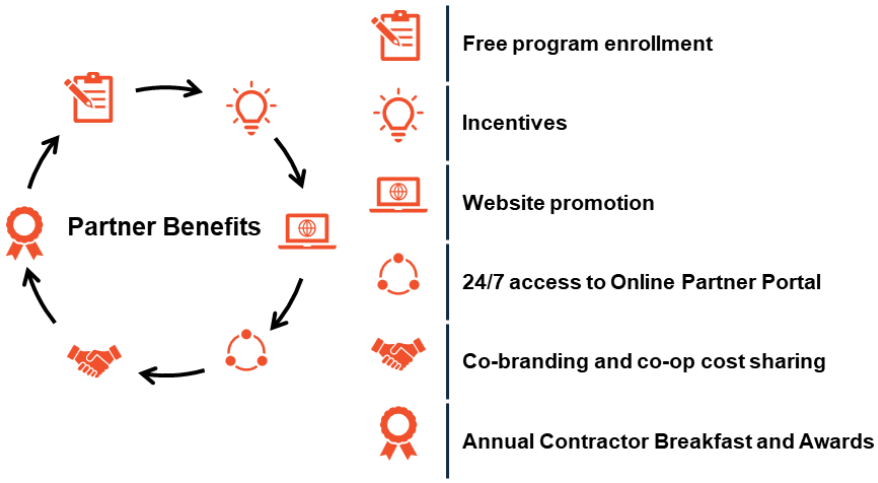
All single-family low-income customers may apply for a water heating rebate once every five years.

Low-income rebates are available through the Space Heating application when a whole-house heat pump is also installed. Low-income customers must be qualified as low-income by EFS and fall within the 60% State Median Income guidelines.

Notable Changes

In 2025, a Heat Pump Water Heater (HPWH) installer page was added to the PSEG Long Island website to engage existing and potential installers and create program awareness. The Heat Pump Water Heater installer page contains key engagement items such as, but not limited to, all equipment eligibility criteria, rebates, and incentives, HPWH partner enrollment application, and Partner benefits. Those benefits are shown in **Figure 2-8**.

Figure 2-8. Residential Water Heating Partner Enrollment Benefits



Measures and Incentives

The Residential Water Heating program provides rebates to customers for ENERGY STAR Heat Pump Water Heaters and Geothermal Dedicated Water Heating solutions. Contractor incentives are available for Heat Pump Water Heater installations.

Table 2-13. Residential Water Heating Measures and Incentives

Target Market	Measure	2026 Planned Units	Measure Incentives	Measure Rebates
Market Rate	Heat Pump Water Heater ≤ 55 Gallons (With Space Heating/Building Envelope)	200	$100	$1,200
	Heat Pump Water Heater > 55 Gallons (With Space Heating/Building Envelope)	200	$100	$1,200
	Heat Pump Water Heater ≤ 55 Gallons (Online Application)	250	$150	$1,200
	Heat Pump Water Heater > 55 Gallons (Online Application)	100	$150	$1,200
	Ground Source Heat Pump Water Heater[80]	3	–	$1,000
Low-Income	Heat Pump Water Heater ≤ 55 Gallons (With Space Heating/Building Envelope)	150	$100	$1,700
	Heat Pump Water Heater > 55 Gallons (With Space Heating/Building Envelope	75	$100	$1,700
	Ground Source Heat Pump Water Heater[81]	1	–	$1,500

Marketing and Outreach

The Residential Water Heating program engages with customers through PSEG Long Island sponsored events, such as home shows and street fairs, direct mailings, the PSEG Long Island website, in-store promotional signage and by the approved PSEG Long Island Partners.

The PSEG Long Island Partners are a key component to customer participation. Partners engage directly with customers to encourage deeper program participation. Partners are rewarded for their program efforts through initiatives such as, but not limited to, workforce development support, tool/training reimbursement, case study promotion, and a 50/50 marketing cost share program. The PSEG Long Island Team is available as needed for

[80] PSEG Long Island does not offer incentives for Ground Source Heat Pump Water Heaters.
[81] PSEG Long Island does not offer additional incentives to LMI customers for Ground Source Heat Pump Water Heaters.

Partner support and attends the weekly PSEG Long Island Open-House meetings to answer all program related questions.

2.3.5. Residential Efficient Products

The Residential Efficient Products Program has traditionally provided rebates and incentives for a robust array of ENERGY STAR products. However, in response to the direction provided in the May 2025 Orders, the proposed rebates offered through the Marketplace in 2026 will be limited to Smart Thermostats. These rebates will be available to all eligible PSEG Long Island residential customers and boasts a robust products Marketplace. The Residential Efficient Products Program aims to engage customers to introduce the concept of EE and beneficial electrification in a manner that is easy to achieve.

Customers may engage with the program on a regular basis, whether it is in-store signage at a local retailer, an e-blast promotion for the Marketplace, or through the Residential Online Application on the PSEG Long Island website.

In addition to providing rebates and incentives to PSEG Long Island Residential customers, the Residential Efficient Products program supports the stocking, sale, and promotion of Residential Efficient Products at retail locations within the PSEG Long Island service territory.

2.3.5.1. Description

The Residential Efficient Products Program delivers rebates and incentives to customers via two different participation mechanisms. Both mechanisms streamline participation so participants may start their EE journey with PSEG Long Island with ease. The Residential Online Application facilitates downstream rebate applications.

The PSEG Long Island Marketplace facilitates point of sale incentives for Market Rate and DAC customers. Sales data and required data points are provided twice a month based on Program Agreements between the utility and Marketplace implementation contractor.

The PSEG Long Island Marketplace also promotes beneficial electrification by incentivizing ENERGY STAR Residential Smart Chargers, and EE via equipment that is promoted but not rebated. The intention is to bring more awareness to the Marketplace to further engage with the customer and encourage them to explore EE and other PSEG Long Island programs. Non-rebated measures on the Marketplace include Wi-Fi Plugs, Room Air Purifiers, Dehumidifiers, Air Purifier Filters, LED Lighting and Water Conservation measures.

Per the May 2025 Orders, “the Commission cannot support the continued use of EE/BE dollars to fund the ongoing maintenance that each utility marketplace requires, particularly when those marketplaces are not aligned with the priorities of the 2026–2030 portfolios the Commission has set forth. The Commission, however, considers the potential for innovative

approaches that could help to effectively reach LMI households that have been traditionally hard to serve within the LMI EE/BE Order."[82] To effectively reach LMI households through the PSEG Long Island Marketplace, PSEG Long Island will continue the practice of providing Marketplace Vouchers to customers who participate in the Residential Energy Assessment Program and REAP Program. The Marketplace Voucher encourages cross-program promotion and exploration of other PSEG Long Island BEE Programs. Customers who receive a Marketplace Voucher may apply the voucher amount to the equipment of their choosing on the Marketplace. The Marketplace will feature links to instructional/informative videos for equipment to help customers install DIY type measures and better understand the benefits of energy conservation measures. Also important to note, the communications that are sent to Energy Assessment participants, along with the voucher, will direct participants to non-rebated measures that they should explore.

The Marketplace is a critical component to the success of the Residential Efficient Products program and the overall Building Efficiency and Electrification portfolio. The Marketplace provides the platform for all customers (LMI, Market Rate, and DAC) to explore energy conservation measures and navigate to other PSEG Long Island programs. As of May 2025, it should be noted that 8.5% of Smart Thermostats purchased on the Marketplace supported DAC households and 7.3% of Residential Smart Chargers. The cost of the Marketplace is embedded in the scope of service provided by the implementation contractor. Our understanding is that such costs amount to approximately $20,000 or so on an annual basis. As such, PSEG Long Island believes the continued offering of the Marketplace as a means of continued customer engagement is prudent and supportive of customer satisfaction.

2.3.5.2. Target Customers

Market Rate Customers

Market Rate PSEG Long Island Residential customers are eligible for rebates and incentives. Participation limits are per equipment type.

DAC Customers

PSEG Long Island residential customers who reside in DACs are eligible for enhanced rebates and incentives for Connected and Learning Smart Thermostats. Those who are income-qualified and reside in a DAC are also eligible for enhanced rebates through the Residential Electric Vehicle Smart Chargers Program. Participation limits are per equipment type.

[82] Case 18-M-0084, Pages 102-103.

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2.3.5.3. Notable Changes

In 2026, as a result of guidance from the May 2025 Orders, the Residential Efficient Products program will discontinue all “non-strategic” and “luxury” measures from the rebated portfolio. This includes Linear LED Fixtures, Room Air Purifiers, Dehumidifiers, Washer, Dryers, Heat Pump Pool Heaters, Induction Cooktops, and Advanced Power Strips.

2.3.5.4. Measures and Incentives

Table 2-14. Residential Efficient Products Measures and Incentives

Target Market	Measure	2026 Planned Units	Measure Incentives
Market Rate	Smart Thermostats – Connected	12,000	$100
	Smart Thermostats – Learning	7,000	$130
Disadvantaged Community	Smart Thermostats – Connected (Marketplace Only)	***	$125
	Smart Thermostats – Learning (Marketplace Only)	***	$160

****DAC Smart Thermostats = The DAC Smart Thermostat Planned Units are included under the overall Smart Thermostat Market Rate quantities.*
*Please note, Residential EV Chargers are addressed in **Section 3.2.2***

2.3.5.5. Marketing and Outreach

Figure 2-9. Residential Efficient Products Marketing and Outreach Avenues

The Residential Efficient Products program engages with customers through PSEG Long Island sponsored events, such as home shows and street fairs, direct mailings, the PSEG Long Island website, in-store promotional signage and by the approved PSEG Long Island Partners.

Other avenues for broad brush and marketing include the following detailed in **Figure 2-9**.

2.4. Commercial Building Efficiency and Electrification

PSEG Long Island's Commercial Efficiency Program (CEP) offers eligible non-residential customers rebates for EE and beneficial electrification measures as well as EE services. The rebates are intended to offset materials, installation, and engineering costs. The Commercial Program strives to deliver a positive customer experience through the diverse portfolio of measures and rebates.

Approved PSEG Long Island Commercial Partners may receive access to the PSEG Long Island Partner Portal, support during Friday Open-House Meetings, access to training webinars, and opportunities for co-branding.

2.4.1. Energy Assessment

A comprehensive energy assessment is the gateway to a customer's EE journey. PSEG Long Island offers free energy assessments to eligible small, medium, and large commercial business customers. Free commercial energy assessments are conducted by PSEG Long Island Energy Consultants who are SMEs on the suite of PSEG Long Island Commercial Program. Customers who wish to receive a free Commercial Energy Assessment apply through the PSEG Long Island Energy Assessment Online Application, and if eligible, a PSEG Long Island Energy Consultant will schedule an appointment with the customer.

The Commercial Energy Assessment is a critical program component as the findings of the assessment educate customers on energy deficiencies found in their businesses. If a customer has inefficient equipment such as old Refrigeration, HVAC equipment, Pumps/Fans, or Variable Frequencies drives, the PSEG Long Island Energy Consultant notates their findings and directs the customer to the appropriate program. If a customer has an outdated fossil fuel heating system and could benefit from a new cold climate air source heat pump, that customer is directed to the Commercial Space Heating program. Customers may opt to participate in one offer, or they may take advantage of a multitude of rebate offerings.

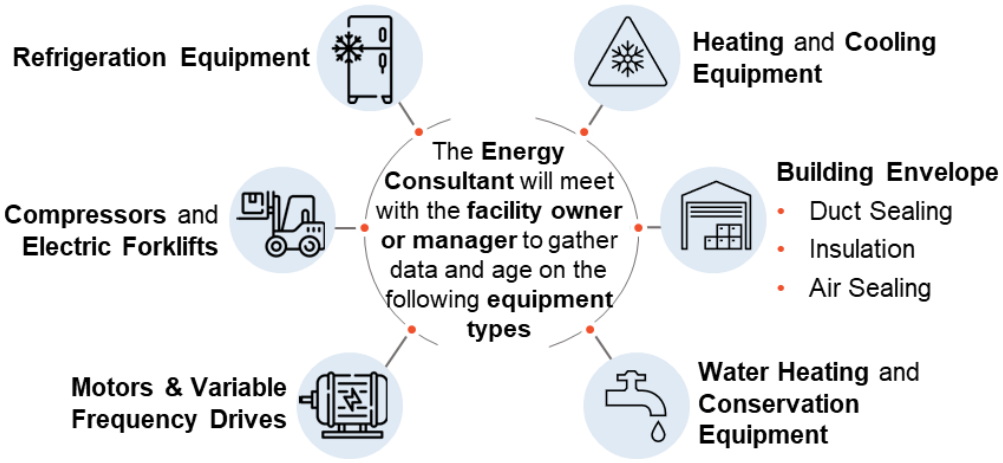
It should be noted; a free Commercial energy assessment is not required for program participation, but it is highly recommended as the first step.

2.4.1.1. Description

Commercial customers that request a free commercial energy assessment are able to meet with a PSEG Long Island Energy Consultant and learn about energy conservation measures, beneficial electrification measures, and receive a list of the approved PSEG Long Island Commercial Partners. Customers will also receive an email with explanations of the PSEG Long Island Energy Consultants findings.

A PSEG Long Island Energy Consultant will analyze and document their findings in a PSEG Long Island Energy Consultant Field Report. See **Figure 2-10** for more information on the Energy Consultant responsibilities and the associated equipment types.

Figure 2-10. Commercial Energy Consultant Responsibilities and Associated Equipment



Upon completion of the free commercial energy assessment, the PSEG Long Island Energy Consultant will finalize documentation of their findings. The PSEG Long Island Energy Consultant will ask the customer if the Energy Consultant may provide approved PSEG Long Island Partners with the assessment findings and their contact information to receive estimates. The Energy Consultant will continue to follow-up with the customer to understand if the customer will move forward with program participation.

2.4.1.2. Notable Changes

In 2025, the energy assessment request pivoted to a digital solution. The Energy Assessment Online Application was developed to allow Commercial Customers to seamlessly submit assessment requests. The Energy Assessment Online application is integrated in TRC Captures[83], which alerts the PSEG Long Island Energy Consultant team to all new and existing assessment requests.

2.4.1.3. Measures and Incentives

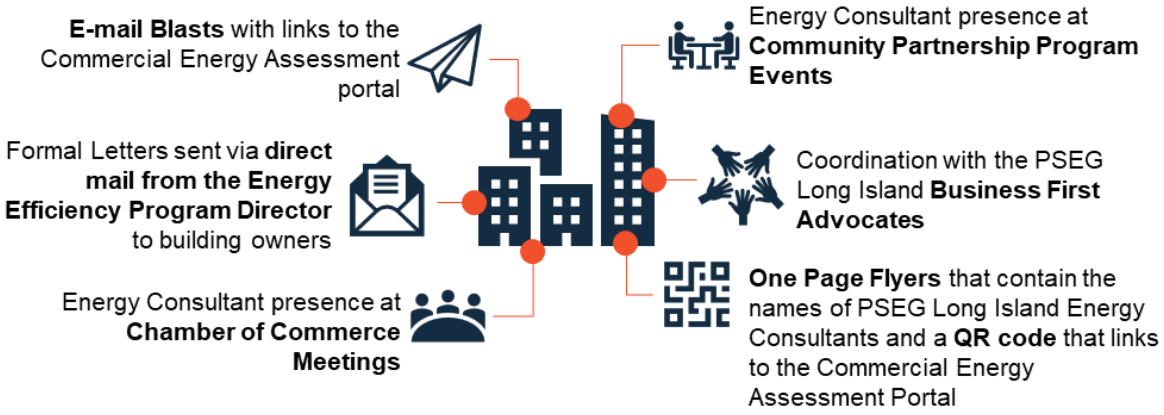
Measures and incentives are not installed or provided during an energy assessment. The free energy assessment is the launch point to program participation and rebates.

[83] TRC Captures is an application processing software and database.

2.4.1.4. Marketing and Outreach

Energy Assessments are marketed in the following ways shown in **Figure 2-11**.

Figure 2-11. Commercial Energy Assessment Market and Outreach Efforts



2.4.2. Building Envelope

A well weatherized commercial business can result in a reduction in energy usage and save money on utility bills, while optimizing the comfort of the building. Newly installed building envelope upgrades such as air sealing and insulation have an effective useful life of 15-30 years. The Commercial Building Envelope program provides rebates for existing building customers to upgrade their existing building envelope. The program is marketed to oil, propane, and electric heating customers.

2.4.2.1. Description

The Prescriptive Commercial Building Envelope Program is available to existing building customers and geared towards smaller businesses. Buildings must be 10,000 square feet or less to be eligible for prescriptive building envelope rebates. Eligible customers qualify for Duct Sealing, Air Sealing, Insulation, Air Curtains, and Pipe Insulation Rebates. Prescriptive rebates are available Market and DAC customers.

During a prescriptive commercial building envelope project, customers can expect, where feasible, a blower door test to be conducted to identify deficiencies with existing insulation and air/duct sealing. To be eligible for rebates, customers must install air sealing and insulation, at a minimum.

Please note, for all buildings greater than 10,000 square feet, customers may participate in the Custom Building Envelope program.

2.4.2.2. Notable Changes

In 2025, DAC rebates were introduced to the Building Envelope program. Customers who reside in a DAC may receive up to 25% increased rebates.

2.4.2.3. Measures and Incentives

Figure 2-12 and **Table 2-15** show the Commercial Building Envelope measures and incentives available for commercial customers.

Figure 2-12. Commercial Building Envelope Measures and Incentives Description

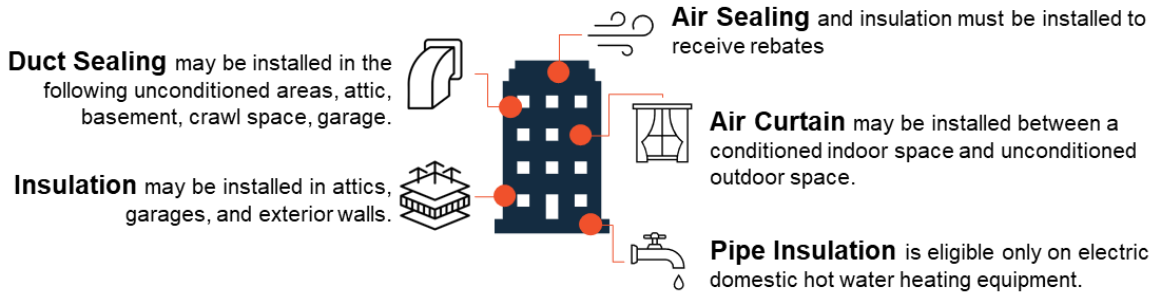


Table 2-15. Commercial Building Envelope Measures and Incentives

Measure	Total Project Rebates
Air Sealing, Insulation (Attic, Walls), Air Curtain, Duct Sealing, Pipe Insulation	$175,057

2.4.2.4. Marketing and Outreach

Please refer to **Section 2.4.72.4.7** for Marketing and Outreach activities for commercial programs.

2.4.3. Heat Pumps

PSEG Long Island commercial customers have multiple options when it comes to space heating and water heating systems. System selection is dependent on the building type, building design, system requirements, and operation. For example, a commercial business may be heated utilizing a fossil fuel forced hot air system or a radiant heat system. PSEG Long Island's objective is to reach customers before the existing equipment fails to promote cleaner and electrified solutions.

PSEG Long Island provides rebates for electrified space heating and water heating solutions. For smaller buildings, prescriptive pathways are available. For larger buildings, a comprehensive custom approach is available.

2.4.3.1. Space Heating

An electrified heat pump solution is an efficient mechanism for achieving clean heating and cooling through one piece of equipment. Such equipment can also result in a reduction in both energy usage and monthly utility bills. A newly installed Cold Climate Air Source Heat Pump (ccASHP) has an effective, useful life of 20 years. Equipment such as Variable Refrigerant Flow Systems (VRFs), Geothermal Ground Source Heat Pumps (GSHPs), and Packaged Terminal Heat Pumps, are also promoted and encouraged.

It is critical that the PSEG Long Island Commercial Team engages with customers to encourage the replacement of failed heating and cooling equipment with an efficient and electrified heat pump solution.

Existing Building customers that participate in the Commercial Space Heating program may achieve increased energy benefits by also participating in the Commercial Building Envelope program.

Description

Commercial Space Heating customers have two different pathways to participate:

1. **Whole Building Space Heating customers participate through the Custom program**. Customers receive a rebate based on the MMBtus saved for the installation of the newly installed whole building heat pumps. Heat pump types include NEEP listed Cold Climate Air Source Heat Pumps, Variable Refrigerant Flow Heat Pumps, Packaged Terminal Heat Pumps, and Ground Source Heat Pumps. Because Whole Building Space Heating projects go through the Custom approach, savings are calculated using the New York Statewide Clean Heat Calculator Tool. $/MMBtu rebates are available for Existing Building customers who either decommission their fossil fuel space heating systems or install integrated controls. Rebates are enhanced for scenarios where the fossil fuel system is decommissioned.
2. **Customers who opt for "Partial" building space heating solutions may participate through the prescriptive style HVAC application**. The prescriptive style program is more streamlined, and rebates are paid on a $/Ton basis for NEEP Listed Cold Climate Air Source Heat Pumps. Please note that a Manual N is required to ensure the proposed heat pump is sized appropriately for the space.

Notable Changes

In 2025, DAC rebates were introduced to the Space Heating program. Customers who reside in a DAC may receive up to 25% increased rebates. DAC rebates will continue in 2026.

Measures and Incentives

Custom Heat Pumps are rebated on a $/MMBtu basis and include NEEP Listed Cold Climate Air Source Heat Pumps, Ground Source Heat Pumps, Packaged Terminal Heat Pumps, and Variable Refrigerant Flow Systems.

Prescriptive Heat Pumps are rebated on a $/Ton basis for NEEP listed cold climate air source heat pumps.

Table 2-16. Commercial Space Heating Measures and Incentives

Measure	Total Measure Rebates
Custom Heat Pumps	$2,625,858
Prescriptive Heat Pumps	$1,312,929

Marketing and Outreach

Please refer to **Section 2.4.7** for Marketing and Outreach activities.

2.4.3.2. Water Heating

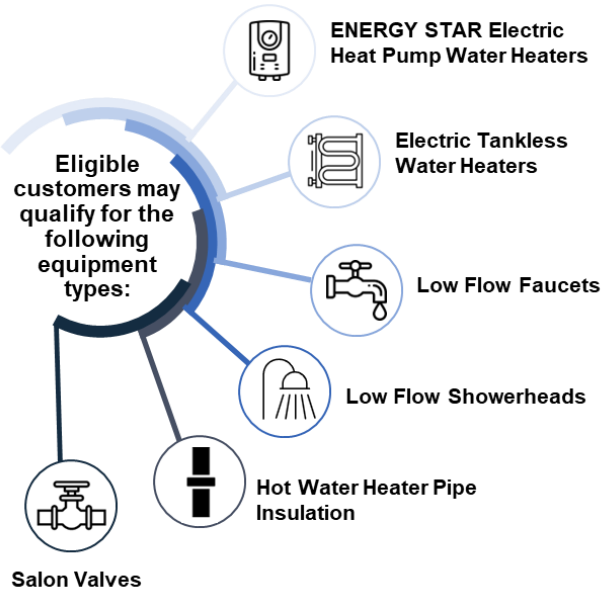
The Commercial Water Heating program provides rebates for the installation of electric efficient water heating equipment and water conservation measures. Newly installed ENERGY STAR Heat Pump Water Heaters and measures such as a Low-Flow Showerhead have an effective useful life of 10 years.

The program is available to electric, oil, propane, and natural gas water heating customers.

Description

The Commercial Water Heating program is available to existing buildings and new construction PSEG Long Island Commercial customers. The program targets small business customers such as Small Retail, Religious, Auto Repair, Small Office, etc. The target

Figure 2-13. Commercial Water Heating Equipment Types for Eligible Customers



customs may install one (1) heat pump water heater for their building. If the customer is a large business customer and requires more than one (1) heat pump water heater, that customer will be directed to the Custom program. See **Figure 2-13** for qualifying equipment types.

All eligible Heat Pump Water Heaters must be on the ENERGY STAR Qualified Products List (QPL) at time of purchase. Low flow equipment is only eligible on electric water heating equipment. Pipe insulation may only be installed on electric hot water heating equipment.

Notable Changes

In 2025, DAC rebates were introduced to the Water Heating program. Customers who reside in a DAC may receive up to 25% increased rebates. DAC rebates will continue in 2026.

In 2026, as a result of the guidance from the May 2025 Orders, the following measures will be discontinued as they have been categorized as “non-strategic”:

- Pre-Rinse Spray Valves
- Clothes Washers
- Clothes Dryers

Measures and Incentives

Table 2-17. Commercial Water Heating Measures and Incentives

Measure	Total Measure Rebates
Water Heaters & Water Conservation Measures	$200,000

Marketing and Outreach

The Commercial Water Heating program engages with customers through PSEG Long Island sponsored events, such as home shows and street fairs, direct mailings, the PSEG

Long Island website, in-store promotional signage and by the approved PSEG Long Island Partners.

The PSEG Long Island Partners are a key component to customer participation. Partners engage directly with customers to encourage deeper program participation. Partners are rewarded for their efforts through initiatives such as, but not limited to, workforce development support, tool/training reimbursement, case study promotion, and a 50/50 marketing cost share program.

PSEG Long Island Energy Consultants launched outreach campaigns to target plumbers and increase program awareness. Energy Consultants are calling plumbers to introduce them to the program, as well as attending industry events such as American Society of Heating, Refrigerating and Air Conditioning Engineers (ASHRAE) and American Society of Plumbing Engineers (ASPE) events.

2.4.4. Custom Projects

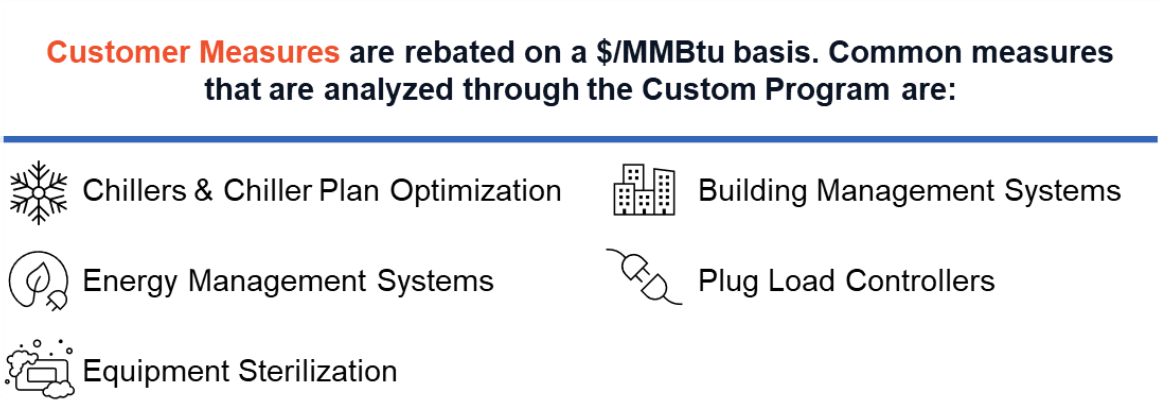
The PSEG Long Island Custom program provides rebates for customers who wish to achieve deeper savings for more complex projects. Measures that are not offered through the other PSEG Long Island Commercial programs can be analyzed and rebated through the Custom program.

The Custom team works directly with customers to develop and analyze comprehensive projects that will meet the unique needs of each facility. The Custom team of dedicated engineers support the program by providing site inspection, cost-effective screenings, engineering analysis, tool development, technical review, measurement and verification, data analytics and project reporting. Using industry resources such as codes and standards, technical resource manuals from other states, and published white papers, the custom program team will review, calculate, and scrutinize measures in every application for accuracy and reasonableness.

2.4.4.1. Description

In all instances where an energy conservation measure or a beneficiation electrification measure cannot be found in the PSEG Long Island suite of Commercial Programs, customers may apply for a measure rebate through the Custom program. Common measures for the Custom program are shown in **Figure 2-14**. Savings are derived for these measures using approved methodologies and algorithms that ensure savings are calculated appropriately.

Figure 2-14. Commercial Custom Projects Customer Measures



2.4.4.2. Notable Changes

In 2025, DAC rebates were introduced to the Building Envelope program. Customers who reside in a DAC may receive up to 25% increased rebates. DAC rebates will continue in 2026.

Beginning in 2026, to support industry's best practices, all Custom measures will be analyzed using the latest New York State Building Codes in effect.

2.4.4.3. Measures and Incentives

Custom Rebates are available on a $/MMBtu basis for energy savings and beneficial electrification measures.

Table 2-18. Custom Projects Measures and Incentives

Measure	Total Measure Rebates
Chillers, Chiller Plant Optimization, Controls, BMS & EMS Systems, etc.	$2,975,972

2.4.4.4. Marketing and Outreach

Please refer to **Section 2.4.7** for Marketing and Outreach activities.

2.4.5. Commercial Efficient Products

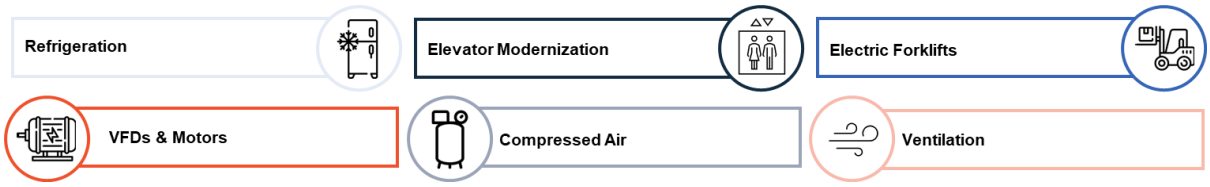
The Commercial Efficient Products program provides rebates for EE and beneficial electrification equipment to all PSEG Long Island commercial customers. Rebates are provided for measures that fall into the process equipment and mechanical categories. Rebates and savings are calculated on a prescriptive basis to provide a streamlined participation method for customers.

The Commercial Efficient Products program encourages customers to electrify frequently used equipment and enhance processes for frequently used electric equipment.

2.4.5.1. Description

The Commercial Efficient Products program is available to existing building and new construction PSEG Long Island Commercial customers. Eligible customers may qualify for the following types of rebates shown in **Figure 2-15**. Rebates are available on a per unit basis, with the exception of the Elevator Modernization measure. Elevator Modernization rebates are calculated on a $/kWh basis. Please note, pending equipment types and codes and standards, some measures may not be available for New Construction buildings.

Figure 2-15. Commercial Efficient Products Rebate Offerings



2.4.5.2. Notable Changes

In 2025, DAC rebates were introduced to the Commercial Efficient Products program. Customers who reside in a DAC may receive up to 25% increased rebates. DAC rebates will continue in 2026.

In 2026, per the Strategic Framework of the May 2025 Orders, the following measures will be discontinued as they have been categorized as “non-strategic”:

- HVAC Motor Belt Replacement – Notched
- HVAC Motor Belt Replacement – Synchronous
- Walk-in Cooler/ Freezer Door Strip Curtains
- Refrigerator/Freezer Case Night Covers
- Refrigerator/Freezer Case Door Gaskets
- ENERGY STAR Ice Maker
- Interior Lighting
- Exterior Lighting

2.4.5.3. Target Customers

All commercial customers are eligible to receive rebates for the commercial efficient products offered.

2.4.5.4. Measures and Incentives

Table 2-19. Commercial Efficient Products Measures and Incentives

Measure	Measure Rebates
HVAC/Ventilation	$262,586
VFDs, Motors, Elevator Modernization	$675,286
Refrigeration	$262,586

2.4.5.5. Marketing and Outreach

Please refer to **Section 2.4.7** for Marketing and Outreach activities.

2.4.6. EE Services

EE Services are available to all PSEG Long Island commercial customers. The intent of EE Services is to help customers navigate their more complex EE journeys and connect those customers to PSEG Long Island Energy Consultants and PSEG Long Island approved Technical Assistance Partners.

PSEG Long Island also provides free Building Operator Certification Training (BOC Level 1) to building operators such as, but not limited to, building engineers and maintenance supervisors, to advance their skills and knowledge in energy efficient operation of commercial buildings.

2.4.6.1. Technical Assistance

The PSEG Long Island Commercial Technical Assistance program provides rebates to customers to explore energy deficiencies in their buildings, study measures and potential impacts through implementation of measures, and encourage green building projects.

The Technical Assistance program features PSEG Long Island approved Technical Assistance partners to facilitate program participation. The PSEG Long Island team of Engineers also support all aspects of the Technical Assistance program experience from initial study or audit to participation in the Commercial Building Efficiency and Electrification program.

Description

The Commercial Technical Assistance program is comprised of four components:

- LEED (Leadership in Energy Environmental Design)
- ENERGY STAR Benchmarking

- Whole Building Energy Modeling
- Energy Engineering Study

The LEED component provides rebates for up to 50% of the cost for fundamental and additional commissioning of electric energy related systems up to $100,000. An additional $500 is available for each energy related point achieved (up to 50 credits).

The ENERGY STAR Benchmarking component provides rebates for Energy Studies related to ENERGY STAR Benchmarking of a building. Rebates are available in 2 phases:

- **Phase 1 projects**: When the ENERGY STAR report is submitted, customers may receive a rebate that is 50% of the study cost up to $2,000.
- **Phase 2 projects**: Upon receipt of an ENERGY STAR Buildings Certificate of Achievement, customers may receive a rebate that is 50% of the study cost up to $5,000.

The Whole Building Energy Modeling component must be completed in eQUEST and follow ASHRAE guidelines and standards. The proposed model must save at least 15% annual kWh or MMBtu energy savings over the baseline energy model. Upon submittal of the energy model and a draft report, customers may receive a rebate that is 40% of the cost of the study up to $45,000. Please note, if an energy conservation measure (ECM) is installed that was recommended in the energy model and draft report, the customer may receive 10% of the cost of the ECM study up to $5,000.

The Energy Engineering Study component provides rebates for studies such as ASHRAE Level 2 & 3 and Space Heating Electrification studies that include feasibility reports for new ECMs or retrofits of an existing ECM to a more efficient ECM. ENERGY STAR Benchmarking must be included in the scope. Customers may receive a rebate of 50% of the study cost up to $20,000.

Measures and Incentives

Table 2-20. Commercial Technical Assistance Measures and Incentives

Measure	Total Measure Rebates
Technical Assistance Program	$262,586

2.4.6.2. Energy Consultants

PSEG Long Island Energy Consultants support all PSEG Long Island commercial customers in their EE journey.

Energy Consultants are responsible for meeting with and educating customers on lowering their energy consumption and for providing the customer with a positive program experience. Energy Consultants ensure that project documents are completed properly, best practices are followed, and all program documentation and project scopes comply with program requirements. Energy Consultants are also available in-person and via teams each Friday morning during the PSEG Long Island "Contractor Open-House Meeting" to support new and existing Program Partners.

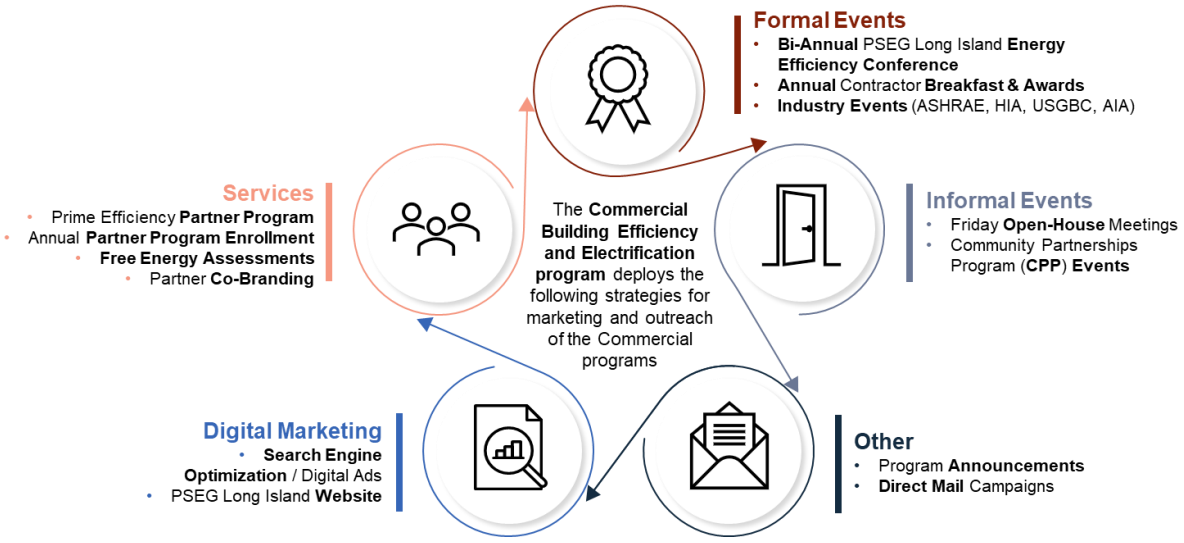
Energy Consultants are divided into two groups:

1. ***Managed***: Managed Accounts are organized by sector to match the PSEG Long Island Major Accounts lists. Energy Consultants partner with the Major Accounts team and join customer meetings, events, conferences, and provide EE recommendations to the "Managed" customers.
2. ***Small/Medium Business***: Businesses that are not identified as "Managed." Examples include auto-body shops, small retail, and fitness studios. The Energy Consultants work with their assigned customer base to assist in participating in any of the commercial efficiency programs. In addition, this team will meet and coordinate projects with the PSEG Long Island Economic Development and Business First Advocate teams.

2.4.7. Marketing and Outreach for Commercial Programs

The Commercial Building Efficiency and Electrification program deploys the strategies for marketing and outreach outlined in **Figure 2-16**.

Figure 2-16. Commercial BEE Program Marketing and Outreach Strategies



The Bi-Annual PSEG Long Island Energy Efficiency Conference is a notable outreach event. The conference is open to all PSEG Long Island customers and Program Partners. The conference provides the platform for networking opportunities, informative seminars with key industry leaders, market trends, emerging technologies, and highlights program successes. The PSEG Long Island Energy Efficiency Conference has consistently achieved high participation rates of around 550 or more attendees.

The Annual PSEG Long Island Contractor Breakfast is held each January. The event highlights the successes from the previous year and what changes are ahead for the new program year. There is also an awards portion of the breakfast. Partners who are dedicated to assisting the EE programs in meeting all goals are highlighted and recognized for their positive contributions to program success.

2.5. Multi-Family Building Efficiency and Electrification

The Multi-Family program promotes Air Source Heat Pumps, Geothermal Heat Pumps, and Variable Refrigerant Flow (VRF) Heat Pumps that serve either common area spaces or in-unit spaces. The program also promotes in-unit Energy Star Heat Pump Water Heaters to maximize electrification opportunities and weatherization. Common area Heat Pumps are rebated on a $/MMBtu basis, in alignment with the Custom program's offerings. In-unit Heat Pumps are rebated on a $/Dwelling basis.

The New York Statewide Clean Heat Calculator Tool is utilized to calculate savings for all in-unit and common area space heating heat pumps.

In 2026, similar to 2025, the Multi-Family program will continue to engage the market through a robust Multi-Family Space Heating Program. The 2026 Multi-Family Space Heating program planned dwelling count is approximately 40% lower than the 2025 planned unit count. This decrease in dwellings number year over year is due to the new All-Electric Buildings Law effective in 2026. The law makes all new construction dwellings under seven stories required to install an electric heating system. Please note, the overall heat pump dwelling unit between the residential and multi-family offerings is 6,201, with multi-family accounting for 1,200 of those dwelling units.

2.5.1. Commercial Multi-Family

Commercial Multi-Family building owners (developers/landlords) benefit from participation in the Multi-Family program by receiving rebates to offset installation costs for measures such as common area and in-unit heat pumps.

Commercial building owners are able to communicate a "greener" message to existing and future occupants.

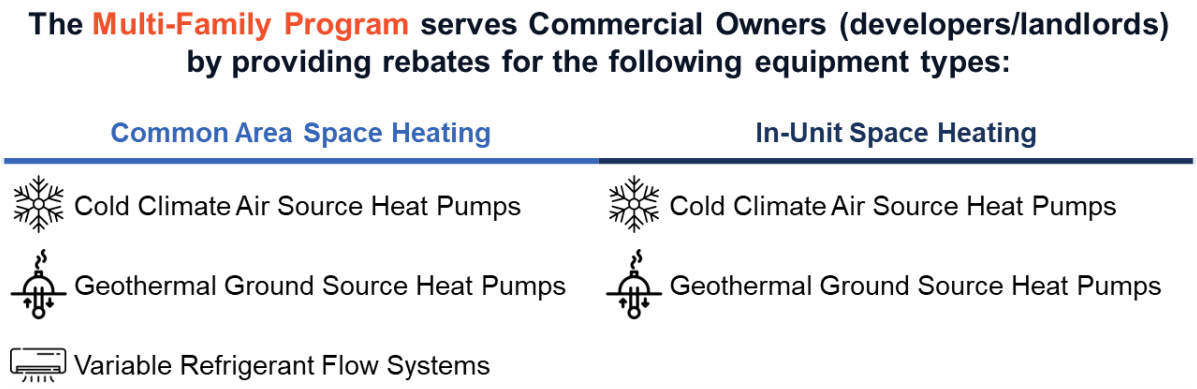
Building owners benefit from:

- Replacement of old inefficient boilers and furnaces
- Lower Heating and Cooling Bills
- Lower Operating and Maintenance Costs
- More individualized billing for renters/owners of units

2.5.1.1. Description

The Multi-Family program serves commercial owners of multi-family housing (e.g., developers and landlords) by providing rebates as shown in **Figure 2-17** for the various equipment types. Rebates are also available for common area and in-unit water heating through the Custom program and the Residential Water Heating program.

Figure 2-17. Multi-Family Rebate Offerings



Common area heat pumps are rebated on a $/MMBtu basis. In-unit heat pumps are rebated on a $/Dwelling basis. In-unit heat pump rebates were increased in 2025 to engage more existing building landlords and building owners. Pease note, all in-unit and common area heat pump rebates are calculating using New York Statewide Clean Heat Calculator Tool.

2.5.1.2. Notable Changes

In 2025, DAC rebates were introduced to the Commercial Efficient Products program. Customers who reside in DACs may receive up to 25% increased rebates. DAC rebates will continue in 2026.

Beginning in 2026, per the All-Electric Buildings Law; most new buildings in New York must use electric heating and appliances, instead of fossil fuel reliant equipment. The New Construction Multi-Family segment in the PSEG Long Island territory will be required to install electrified heating equipment, therefore, PSEG Long Island will no longer be able to

rebate such equipment. The exception to this is new construction building participants who have had building plans approved at the codes and standards in place before the 2026 law becomes effective. As long as the participant provides a valid, and approved, building permit and all communications regarding any extensions and supporting other documentation, the project will still be eligible for rebates in the PSEG Long Island program in 2026 and potentially into 2027. Please note, existing building Multi-Family building owners who convert their existing heating systems to eligible heat pumps, may qualify for rebates.

In addition, in 2026, the NYS Homes and Community Renewal program (administered by LIPA) will offer rebates to LMI customers who reside in Multi-Family buildings.

2.5.1.3. Measures and Incentives

A list of measures that are offered in the Multi-Family program is included in **Table 2-21**.

Table 2-21. Commercial Owners (Multi-Family Program): List of Measures

Measure	Measure Rebates
In-Unit ASHP & VRF	$2,490,000
Common Area ASHP & VRF	$400,000

2.5.1.4. Marketing and Outreach

The Multi-Family program participation is driven through partnerships with developers and industry associations. Developer relationships are an integral part of the growing Multi-Family program. TRC also holds weekly open-house meetings for all participating Lead Partners and Developers. Interested Lead Partners and Developers can speak one-on-one with a member of the Commercial or Residential team to learn more about the program and navigate the application.

The Multi-Family program engages with multi-family developers and building owners by working with PSEG Long Island Major Account Consultants (MACs) to send out email blasts, and meeting with industry associations like the Building Owners and Management Association (BOMA) and the Long Island Building Institute (LIBI).

2.5.2. New York State Homes and Community Renewal (HCR)

The New York State Homes and Community Renewal (HCR) Program is a component of NYSERDA's Clean Energy Initiative and supports the CLCPA. The HCR program's objective is to "emphasize the importance of improving building EE and transitioning from fossil fuels

to efficient electric solutions."[84] The PSEG Long Island Multi-Family portfolio will be offering an HCR program component in the 2026 plan. Note that the HCR program will be administered by LIPA.

2.5.2.1. Description

HCR will utilize LIPA funds (allocated from the overall 2026 Building Efficiency and Electrification Budget) to directly inject clean energy funds, energy savings measures, and decarbonization measures, to the existing pipeline of multi-family programs the State's Housing Finance Agency (the "Agency") funds with Low-income Housing Tax Credits (LIHTC), stand-alone subsidy, and other programs financed through the Agency, where the projects are required to comply with the Agencies Sustainability Guidelines.[85] This model ensures the measures installed with LIPA funds comply with the States goals to reduce on site carbon emissions and leverages the existing funding the Agency deploys into the construction and renovation of housing.

2.5.2.2. Target Customers

NYS HCR, as the Agency, fund multi-family projects that range from 30% Area Median Income (AMI) to 80% AMI, and follow federal and state income limits, depending on the program and funding in each project. All projects that receive funding through the Agency for multi-family refinancing receive a regulatory agreement which NYS HCR is then responsible for ensuring compliance during the term of the agreement, typically 15 to 50 years. HCR's pipeline can also include projects that serve at risk populations, including but not limited to senior properties, veterans, formally homeless, and residents who require supportive services.

2.5.2.3. Measures and Incentives

The NYS HCR program will offer weatherization, space heating, and water heating measures to a qualified customer.

2.5.2.4. Marketing and Outreach

HCR will use our existing platforms and network to educate the market of fund availability. This typically includes hosting a webinar, which gets posted to the Agency's website, email outreach to the existing network of developers and related trades. The Developers that the Agency work with would be the target audience, as it would be there role to include the funds and program into the overall HCR application for financing. The Developer then hires a

[84] https://hcr.ny.gov/clean-energy-initiative. (*See* **Appendix E** for URL address).
[85] Sustainability Guidelines. https://hcr.ny.gov/sustainability-guidelines. (*See* **Footnote Citations and** for URL address).

general contractor to complete the full scope of the work, including the clean energy scopes of work.

2.6. Building Efficiency and Electrification 2030 Outlook

The 2030 Outlook will not be included in this year's Utility 2.0 Plan in light of the May 2025 LMI and Non-LMI Orders. While PSEG Long Island has made great efforts to align with these Orders, there are some directives that require NYSERDA and regulated utilities to submit a number of supplemental filings within 60, 90, and 120 days, which could potentially influence the 2027 through 2030 Outlook.

- As per the Non-LMI Order, the regulated utilities are directed to make joint filings (mid-July) for the development and implementation of their respective Regional Residential Weatherization Programs.
    - PSEG Long Island and LIPA are encouraged to coordinate with NYSERDA and Joint Utilities for a consistent approach in New York State.

- As per the LMI Order, NYSERDA will serve as the lead administrator of LMI one- to four-family programs statewide and to file **LMI Implementation Plan** (mid-September).
    - The May 2025 LMI Order calls for:
        - NYSERDA to coordinate with LIPA to align on LMI program offerings in Long Island
        - Improving consistency between NYSERDA and LIPA programs to ensure that LMI customers on Long Island have access to the same BEE opportunities that are available throughout the State. Although PSEG Long Island has aligned its direct install component of its income-qualified program for 2026, it may be required to further align with the statewide LMI program based on the filing.

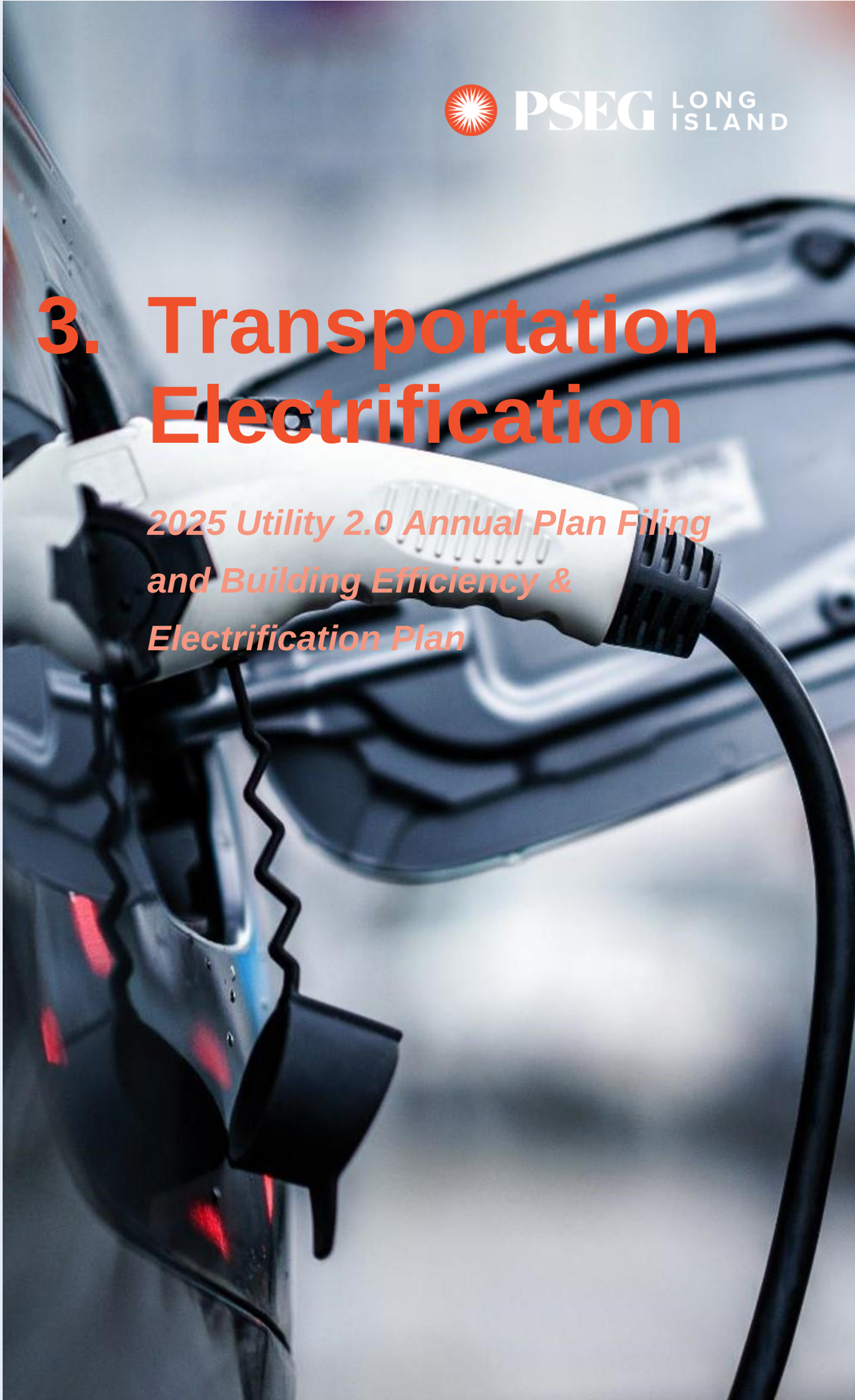
- Budgets for 2027 through 2030 are expected to remain at constrained levels, which creates a challenge for program administrator to prepare outlook beyond the immediate next year.
    - The May 2025 Orders also acknowledge that the "[…] NYS policy goals related to weatherization and electrification cannot be met purely though ratepayer funded programs […]" This might suggest the need for additional funding sources for achieving the NYS clean energy and decarbonization goals. Without knowing the source for the additional funding and the level of funding needed, it is almost impossible to create a future outlook.

For all these reasons, PSEG Long Island would like to gain additional understanding on the statewide efforts before preparing a 2030 Outlook.

PSEG LONG ISLAND

3. Transportation Electrification

2025 Utility 2.0 Annual Plan Filing and Building Efficiency & Electrification Plan



3. Transportation Electrification

The transportation sector is the second biggest contributor of GHG emissions in New York State.[86] To achieve the GHG reduction goals by 2050 set forth in the New York State Climate Act, the state has committed to:

- All new passenger cars sold in New York State to be zero-emissions by 2035[87]
- Electrifying the state's LDV fleet and 100% of school buses by 2035[88]
- All new MHDV sales to be zero-emissions by 2045[89]

These transportation electrification targets are supported by initiatives that encourage wider adoption of electric vehicles (EVs). One key initiative is the statewide EV Make-Ready Program, which incentivizes greater deployment of electric vehicle supply equipment (EVSE) such as Level 2 and Direct Current Fast Chargers (DCFC) by providing funding to support Utility-Side Make-Ready (USMR), and Customer-Side Make-Ready (CSMR) infrastructure costs.

As detailed in **Section 1.1**, PSEG Long Island evolved its Utility 2.0 vision and framework to align with statewide priorities. All initiatives included in this chapter directly contribute to Transportation Electrification. In 2025, PSEG Long Island's Transportation Electrification Strategic Initiatives include the EV Make-Ready Program, Fleet Make-Ready Program, and the EV Program[90] led by the Transportation Electrification (TE) Team. The EV Make-Ready Program supports New York State goals to achieve a 40% reduction in GHG emissions from 1990 levels by 2030 and the New York State Department of Environmental Conservation's (DEC) Advanced Clean Car II (ACC) regulation which requires all new passenger vehicle sales to be zero-emissions by 2035 in New York State.[91] The Fleet Make-Ready Program supports the goals of electrifying 100% of electric school buses by 2035[92] and the DEC's Advanced Clean Trucks (ACT) regulation for all new MHDV sales to be zero-emission by

[86] New York State Department of Environmental Conservation. 2022 Statewide GHG Emissions Report. (*See* **Appendix E** for URL address).
[87] New York Advanced Clean Car Regulation. DEC Announces Adoption of Advanced Clean Cars II Rule for New Passenger Cars and Light-Duty Truck Sales - NYSERDA. (*See* **Appendix E** for URL address).
[88] 2022 New York State of the State. 2022StateoftheStateBook.pdf (ny.gov). (*See* **Appendix E** for URL address).
[89] New York Advanced Clean Trucks Regulation. Governor Hochul Announces Adoption of Regulation to Transition to Zero-Emission Trucks | Governor Kathy Hochul (ny.gov). (*See* **Appendix E** for URL address).
[90] In 2025, the EV Program is consisted of the Residential Charger Rebate Program, DCFC Incentive Program, and EV Phase-In Rate.
[91] New York Advanced Clean Car Regulation. DEC Announces Adoption of Advanced Clean Cars II Rule for New Passenger Cars and Light-Duty Truck Sales - NYSERDA. (*See* **Appendix E** for URL address).
[92] 2022 New York State of the State. 2022StateoftheStateBook.pdf (ny.gov). (*See* **Appendix E** for URL address).

2045.[93] PSEG Long Island's ongoing EV Program also promotes adoption of EVs and is consistent with the ACC II Regulation, which requires all new passenger vehicle sales to be zero-emissions by 2035 in New York State.

Table 3-1 below details how PSEG Long Island's Transportation Electrification programs contribute to targets set forth in various New York State policies and/or regulations.

Table 3-1. New York State EV Goals

Year	Policy / Regulation		EV Make-Ready Program	Fleet Make-Ready Program	EV Program
2025	ACC	35% of LDV sales are ZEVs	✓	✓	✓
2027	2022-2023 State Budget	All new school bus fleet purchases are ZEVs		✓	
2035	ACC	100% of LDV sales are ZEVs	✓	✓	✓
	2022-2023 State Budget	100% of school bus fleets are ZEVs		✓	
2045	ACT	100% of MHDV sales are ZEVs		✓	

PSEG Long Island supports the adoption of LD and MHD EVs on Long Island through various transportation electrification initiatives that support at-home charging, workplace and public fast-charging, and fleet charging.

Chapter Contents

[93] New York Advanced Clean Trucks Regulation. Governor Hochul Announces Adoption of Regulation to Transition to Zero-Emission Trucks | Governor Kathy Hochul (ny.gov). (*See* **Appendix E** for URL address).

Project Name	2025 Status	2026 Status	Page #
DCFC Incentive Program	Active	Active	105
EV Phase-in Rate	Active	Active	106
Suffolk County Bus Make-Ready Pilot	Active	Operational	113

3.1. 2025 Goal Achievement and 2030 Projections

2025 CLCPA Goal Achievement

New York State previously committed to 850,000 electric LDVs by 2025, a commitment that has since been superseded by ACC and ACT. PSEG Long Island's various transportation initiatives will continue to support the overall New York State goal of 850,000 light duty vehicles registered and on the road by the end of 2025, as well as ACC and ACT. As of Q1 2025, there are approximately 75,000 EVs on Long Island.

2030 CLCPA Goal Projections

PSEG Long Island has not established a 2030 goal as the state guideline was not available at the time of publication for the 2025 Utility 2.0 Plan.

Utility 2.0 Transportation Electrification program updates are detailed in **Section 3.2.** The Transportation Electrification 2030 Outlook is detailed in **Section 3.3**.

3.2. Transportation Electrification Utility 2.0 Initiatives and Programs

3.2.1. Make-Ready Program

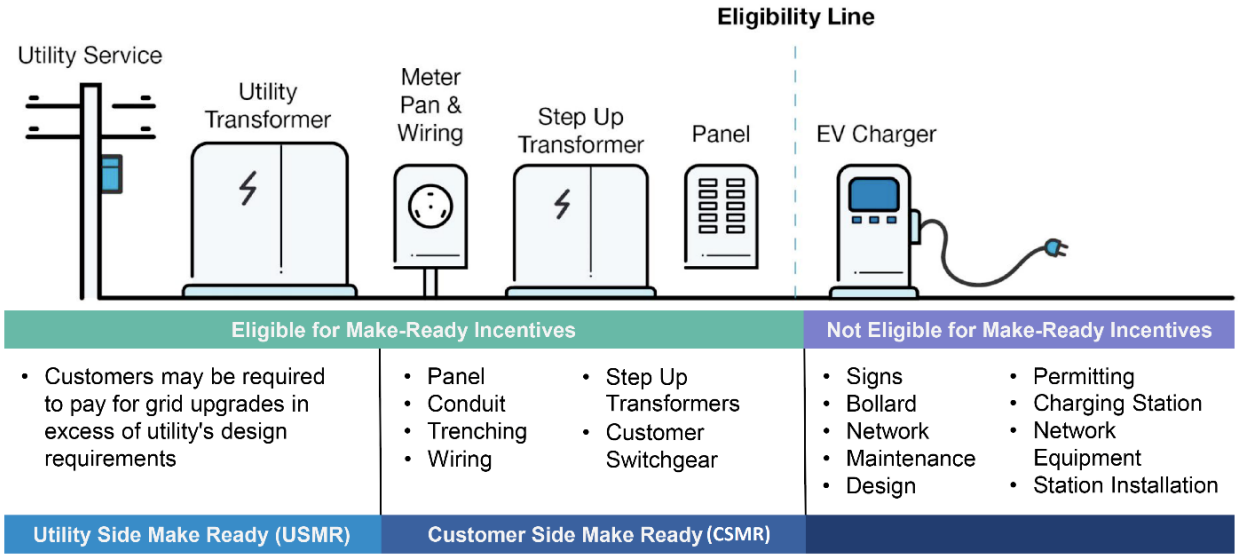
2025 Status	Active
2026 Status	Active
Start Year	2021
End Year	2030
Description and Justification	The EV Make-Ready Program was initially proposed in 2020 to support and accelerate EV adoption on Long Island. This Program was expanded and renamed as the Make-Ready Program and now covers three programs and services: (1) the EV Make-Ready Program; (2) the Fleet Advisory Service; and (3) the Fleet Make-Ready Program. PSEG Long Island plans to update the **EV Make-Ready Program** to slightly decrease Level 2

charger target while increasing DCFC charger target to align with market trends. The **Fleet Advisory Service** was officially launched in Q3 2023 and has served more than 50 fleet customers to date. The **Fleet Make-Ready Program** launched in Q3 2024 and provides Utility-Side and Customer-Side Make-Ready incentives to eligible fleet customers operating LDVs and MHDVs on Long Island.

Definitions

Make-Ready refers to all infrastructure required to provide power to the physical point where chargers will be installed, but not including the chargers themselves. Utility-Side Make-Ready (USMR) represents infrastructure on the utility side of the meter and includes any utility upgrades required to supply power from the distribution network, down to the meter. The USMR infrastructure is built, owned, and operated by the utility. Customer-Side Make-Ready (CSMR) represents the infrastructure that supplies power from the meter, up to the connection of EVSE. The CSMR infrastructure is built, owned, and operated by the site host (*see* **Figure 3-1**).

Figure 3-1. Utility-Side and Customer-Side Make-Ready



EV Make-Ready Program

In July 2020, the PSC released the EV Make-Ready Program Order (Make-Ready Order) that established statewide goals for a utility supported EVSE Make-Ready program.[94] The Make-Ready Order recommends that major electric utilities provide financial contributions for Make-Ready infrastructure to accelerate EVSE deployment, in turn enabling a more rapid adoption of EVs.

PSEG Long Island's EV Make-Ready Program is structured similarly to requirements in the Make-Ready Order and supports the deployment of make-ready infrastructure for new direct current fast charging (DCFC) and Level 2 (L2) charging stations. Due to accounting and financing nuances specific to LIPA's public power model, cash rebates are recovered through operating expenses and impact ratepayers in the year they occur as opposed to subsequent collection via regulatory asset like the investor-owned utilities in New York State.

In 2022, PSEG Long Island implemented a "lease-to-buy" model to allow LIPA to capitalize on the CSMR infrastructure for DCFC, as these charging stations have significant investment requirements compared to L2 charging, thus avoiding having to recover a significant amount of operating expenses (for rebates for CSMR infrastructure) from ratepayers in the year incurred. Through the TE Team's experience administering the program, PSEG Long Island found that DCFC project costs were lower than originally expected and customers prefer cash rebates over the lease model. Thus, upon further review from an accounting standpoint, PSEG Long Island plans to transition its DCFC CSMR incentive model from the lease model back to the original cash rebate model in 2025.

In 2024, PSEG Long Island reevaluated this program and proposed to further expand the EV Make-Ready Program by extending the Program timeline and drastically increasing port targets to meet EV infrastructure needs. As a result, in 2024, PSEG Long Island identified an overall L2 port target that nearly tripled compared to the prior year's plan and an overall DCFC port target that increased by over 50%.

In 2025, PSEG Long Island reevaluated the program in the same manner as years prior to update the 2030 Outlook. The updated 2025 LDV Forecast used to inform program updates projects 3-5% fewer EVs on the road each year from 2025-2030 compared to the 2024 forecast. Due to slower projected growth compared to the 2024 forecast, the EV Make-Ready program forecast projects fewer L2 and more DCFC ports, reflecting a preference for

[94] Case 18-E-0138 Proceeding on Motion of the Commission Regarding Electric Vehicle Supply Equipment and Infrastructure, Order Establishing Electric Vehicle Infrastructure Make-Ready Program and Other Programs (issued July 16, 2020). (*See* **Appendix E** for URL address).

battery electric vehicle (BEV) over plug-in hybrid electric vehicle (PHEV), as well as the need to switch to a cash rebate to finance DCFC projects in 2026.

Program changes are discussed in detail in the next section.

Fleet Make-Ready Program

PSEG Long Island plans to continue supporting the development of EV charging infrastructure through the Fleet Make-Ready Program which launched in Q3 2024. The Fleet Make-Ready Program serves two target markets that would most likely benefit customers in DACs: 1) public fleets which cover local government, public serving, schools, and universities (administration and security), and not-for-profit organizations; and 2) public transportation (*e.g.,* school and transit buses).

The Fleet Make-Ready Program is a separate program offering, parallel to the EV Make-Ready Program under the Make-Ready Program (**Section 3.2.1**). Eligible fleets are defined as three or more vehicles operated by a non-residential entity with a meter on a commercial tariff, consisting of any vehicle-type or weight-class. There may be situations where a customer submits a load letter at one location that has both public and/or workplace charging along with fleet charging. Eligible customers can apply for either program or both programs through the Make-Ready Program application.[95]

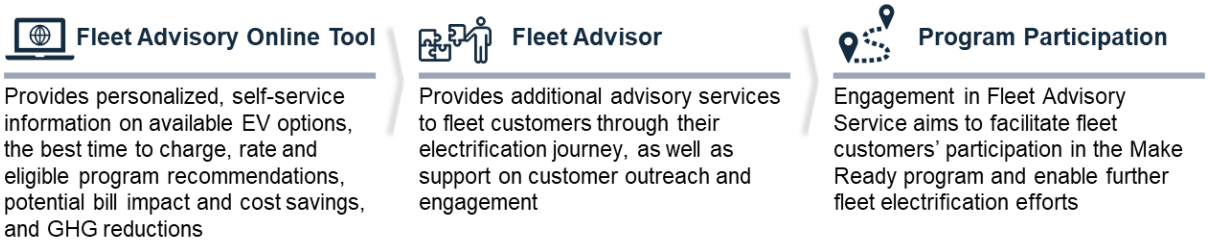
The Fleet Make-Ready Program provides USMR and CSMR incentives[96] to eligible fleet customers and was extended through 2030 to provide additional charging infrastructure support for both public and private fleets. Given an evaluation of program activity to date, PSEG Long Island updated the incentive structure and will now allow private fleet customers to participate in the program beginning in July 2025. PSEG Long Island also plans to develop an updated program forecast for submission in the 2026 Utility 2.0 Plan.

Fleet Advisory Service

The Make-Ready Program also includes the Fleet Advisory Service.[97] The Service is available for free to both public and private fleet customers operating within PSEG Long Island's service territory and launched in Q3 2023. Service offerings in this Program include the following shown in **Figure 3-2.**

[95] More details on the Make-Ready Program application are available on the PSEG Long Island website. (*See* **Appendix E** for URL address).
[96] The same USMR and CSMR definitions apply to both EV Make-Ready Program and Fleet Make-Ready Program.
[97] Additional details on the Fleet Advisory Service can be found in the 2022 Utility 2.0 Long Range Plan & Energy Efficiency Plan. (*See* **Appendix E** for URL address).

Figure 3-2. Fleet Advisory Service Offerings



To date, more than 50 organizations have connected with the TE Team through the Fleet Advisory Service, with the majority being public transportation customers such as school districts. Thus, the TE team identified school districts as a key group that requires the most support to electrify to date. Fleets often reached out for a walkthrough of the Fleet Advisory Tool and more information on PSEG Long Island's offerings based on their needs. The TE Team uses these opportunities to inform participants of the Fleet Make-Ready Program, available incentives at the state and federal level, and how to get started with their fleet electrification journey.

Insights collected from Fleet Advisory Service are used to enhance program offerings and resources that best serve customer needs, such as refining website content, developing education collateral, and informing future programs. Based on the frequently asked questions, the TE Team developed a one-page sheet for fleet customers to reference following a consultation with the Fleet Advisor. The TE Team also plans to develop additional reference materials that may cover topics such as interconnection process guidance, typical stages of fleet electrification, and available programs and resources.

The results of the LIPA Fleet Electrification study will also help inform the TE Team on the types of fleet customers that PSEG Long Island will further engage, develop targeted messaging based on fleet customer types, as well as further coordinate outreach efforts with internal and external stakeholder groups to attract more fleet customers to Fleet Advisory Service and Fleet Make-Ready Program. This feedback loop will be critical as more fleets on Long Island transition to EVs.

NYSERDA Clean Transportation Prize

Through the NYSERDA Clean Transportation Prize, PSEG Long Island supports awardee Ride Circuit in providing easy-to-use, affordable, and on-demand electric transportation for residents in the Rockaways and Brentwood (both DAC communities). The Rockaways program launched in December 2023 and moves over 5,000 riders a month by providing on-demand East to West-transportation enhancing connection on the peninsula and access to the A train and Ferry stops. The Brentwood program launched in October 2024 and moves roughly 2,000 riders a month. The program focuses on connections to local jobs by moving

participants to the Long Island Railroad (LIRR) transportation system as well as directly to the Hauppauge Industrial Area and local education systems, thereby aiming to reduce participants' reliance on personal transportation to reach key areas of job density. Services are app-based and aligned with identifying community needs such as being able to get to work without the reliance of owning a personal vehicle and prioritizing local resident destinations. In addition, Ride Circuit installed EV infrastructure to be used as charging stations for the surrounding communities when the vehicle fleets are not at the location charging during the day. PSEG Long Island provides financial support to Ride Circuit and has committed up to $7.5 million through April 2026 to enable Ride Circuit to kickstart this effort. Ride Circuit will continue to provide this service beyond 2026.

3.2.1.1. Implementation Update

PSEG Long Island updated the scope and timeline of the EV Make Ready Program in 2024 and will continue to energize L2 and DCFC ports through 2030. The Fleet Make Ready Program also began serving eligible fleet customers in Q3 2024 and will continue through 2030.

See the scope and schedule updates below for the Make-Ready Program.

Scope Update

PSEG Long Island proposed in the 2024 Utility 2.0 Plan to increase program targets and extend the program. PSEG Long Island has since reevaluated annual program enrollments and budget requirements and extended the Make-Ready Programs until 2030, and each year evaluates port targets for subsequent years based on a forecast of EVs on the road. Given the lower projected growth in the 2025 forecast (compared to the 2024 forecast), along with market trends, and program budget constraints, PSEG Long Island has lowered its port targets for L2 and increased its targets for DCFC through 2030.

The EV Make-Ready Program

EV Adoption

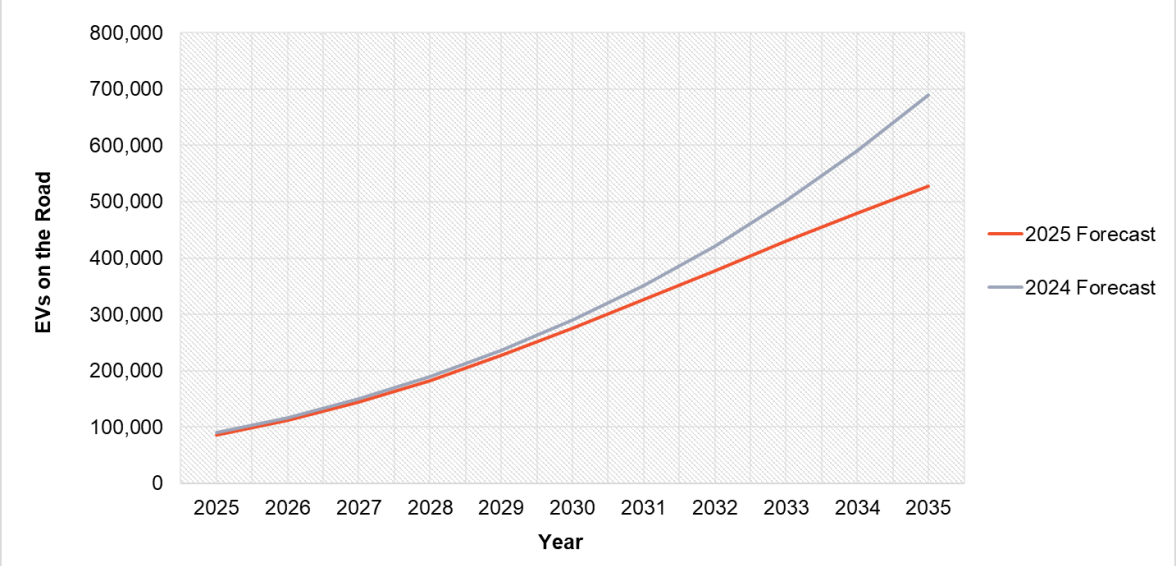
EV adoption on Long Island has continued to grow since the TE Team started tracking in 2014. Long Island has some of the highest EV adoption rates in the state with around 75,000 EVs on the road as of Q1 2025.[98] PSEG Long Island uses the number of EVs on the road to

[98] According to the Atlas Public Policy EvaluateNY Tool, as of March 2025, Long Island's EV penetration is 3.1% as compared to NYS as a whole at 2.1% penetration. (*See* **Appendix E** for URL address).

forecast future year EV adoption. Understanding EV adoption on Long Island allows PSEG Long Island to right-size the future infrastructure needed, inclusive of charging stations.

PSEG Long Island works with a third-party consultant to develop the LDV Forecast and update the forecast annually based on market trends (see graph below).[99] In the most recent forecast (2025), PSEG Long Island has identified that EV adoption will continue to grow through 2030, although at a slower rate compared to last year's forecast. As shown in **Figure 3-3**, PSEG Long Island anticipates that by 2030, there will be around 275,000 EVs on the road on Long Island, representing about 13%[100] EV adoption.

Figure 3-3. Light-Duty Electric Vehicle Adoption Trends on Long Island



Ports

As shown in **Table 3-2**, PSEG Long Island expects that enrollment in the EV Make-Ready Program will gradually increase over time, although at a slightly slower pace than last forecasted. PSEG Long Island plans to slightly reduce overall L2 port targets and increase DCFC port targets to align with market trends and meet charging infrastructure demand in

[99] PSEG Long Island conducts annual assessment of the EV market to address fluctuating growth trends through updated port targets and budget reconciliation.
[100] This figure is calculated using the 2030 LDV forecast of expected EVs on the road (~275,000) over the total number of expected LDVs on the road, both EV and non-EV (~1,800,000).

line with EV adoption rate. PSEG Long Island used the results of its 2025 LD EV Forecast to model the number of L2 and DCFC ports needed by 2030, utilizing the EV-Pro Lite tool.[101]

Table 3-2 shows the updated total number of ports estimated to be energized by year and port type.[102] Overall, the L2 port target is decreased to 10,206 ports by 2030; whereas the overall DCFC port target is increased to 1,033 ports by 2030. The expected number of energized ports is based upon the assumption that L2 projects would take approximately six months on average from committing funds to construction and that DCFC projects would take approximately 15 months. Thus, some of the projects are expected to be completed in 2031.[103]

Table 3-2. EV Make-Ready Program Actual and Estimated Energized Ports by Type (2025 Update)[104]

Port Type	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	Total[105]
	Actual	*Actual*	*Actual*	*Actual*	*Forecast*	*Forecast*	*Forecast*	*Forecast*	*Forecast*	*Forecast*	*Forecast*	
L2	0	81	231	405	789	900	1,100	1,300	1,500	1,800	2,100	**10,206**
DCFC	48	100	10	70	89	100	117	122	124	125	128	**1,033**
Total	**48**	**181**	**241**	**475**	**878**	**1,000**	**1,217**	**1,422**	**1,624**	**1,925**	**2,228**	**11,239**

Infrastructure Costs

The make-ready costs are divided into two categories: USMR and CSMR. The cost estimates for L2 and DCFC are updated in this filing to reflect PSEG Long Island's historical program data. **Table 3-3** shows the infrastructure costs based upon PSEG Long Island actual average project cost data.

Table 3-3. EV Make-Ready Program Average Infrastructure Costs Per Project[106] by Port Type[107] (2025 Update)

Port Type	USMR	CSMR	Total
Level 2	$784	$61,751	$62,535
DCFC	$25,383	$218,586	$243,969

[101] EVI-Pro Lite projects consumer demand for EV charging infrastructure. Some assumptions PSEG Long Island utilized include the percentage of at-home charging, estimated share of vehicle type (ex. Sedans versus SUVs) and EV type (PHEVs versus BEVs), and third-party consultant industry insights. (*See* **Appendix E f**or URL address).
[102] "Energized" is defined as the total population of DCFC and L2 ports that have meters set and put into service in a given year.
[103] All projects that enroll in the EV Make-Ready Program must commit to complete by 2031.
[104] Even though the program is intended to end in 2030, some projects may spillover into 2031.
[105] Table values may not add to total value due to rounding.
[106] Average 3 ports per project.
[107] Actual program data as of December 31, 2024.

In June 2025, PSEG Long Island updated the incentive model for the EV Make-Ready Program to be based on dollars per port rather than project scope which had been the existing model, as shown in **Table 3-4**Table 3-4. The update came after benchmarking several utilities across the country to build awareness of successful incentive models and their rationales, where the Team ultimately identified the need to incentivize projects based on projects that will deploy the greatest number of chargers possible on Long Island. By incentivizing projects based on dollars per port, PSEG Long Island will be able to provide a consistent level of support for each port deployed and thereby facilitate customer participation.

Table 3-4. EV Make-Ready Program Incentive Structure (2025 Update)[108]

	Level 2			DCFC[109]		
CSMR Incentive Cap ($/port)[110]	**50%**	**75%**	**100%**	**50%**	**75%**	**100%**
	$3,000	$5,000	$6,500	$20,000	$50,000	$65,000
USMR Incentive Cap ($/project)	$20,000			$100,000		

Business Model

In 2025, PSEG Long Island plans to transition the lease-to-buy model (which was treated as a capital expense)[111] back to the cash rebate model employed in 2021 for DCFC projects. This transition will finance all eligible DCFC and L2 projects through the cash rebate model, which is an operational expense.

In line with the model recommended by the DPS in its Make-Ready Order and its Midpoint Review Whitepaper, for both L2 and DCFC infrastructure, the incentive strategy is a three-tiered structure based on the relative value of a given port. Projects will be eligible for an incentive tier of 100%, 75%, or 50% depending on specific requirements based on whether the project:

- Is available to the public or for private use
- Utilizes standard charging port types
- Is located within a DAC
- Accepts universal forms of payment[112]

[108] See additional detail on PSEG Long Island's website. (*See* **Appendix E** for URL address).
[109] DCFC ports eligible through the program must be above a threshold of 100 kW.
[110] The CSMR incentive cap for multi-family projects is $100,000.
[111] Additional details can be found in 2022 Utility 2.0 Long Range Plan & Energy Efficiency, Beneficial Electrification, and Demand Response Plan. (*See* **Appendix E** for URL address).
[112] Specific to PSEG Long Island.

The eligibility requirements per incentive tier remain unchanged and are shown in **Table 3-5**.

Table 3-5. EV Make-Ready Program Eligibility[113]

Port Requirement	100% Tier	75% Tier	50% Tier
Minimum 2 Ports for All Incentive Tiers	• DCFC and/or Level 2 Chargers • Universal Plugs • Accepts Universal Payment • Public • Located in a DAC	• DCFC and/or Level 2 Chargers • Universal Plugs and/or NACS Plugs • NACS plugs matched 1 for 1 or less for quantity and power output from Universal plugs • Accepts Universal Payment • Public • Not located in a DAC	• DCFC and/or Level 2 Chargers • Universal Plugs and/or NACS Plugs • NACS plugs not matched 1 for 1 or less for quantity and power output from Universal plugs • Does not accept Universal Payment • Private

The Fleet Make-Ready Program

The Fleet Make-Ready Program targets fleet customers operating LDVs, MHDVs, or both. In this program, a fleet is defined as three or more vehicles operated by a non-residential entity with a meter on a commercial tariff, consisting of any vehicle-type or weight-class. The Program focuses on vehicle operation, not ownership, to allow for the common case where vehicles are financed by one entity and operated by another. This program is also designed to be technology-agnostic, and supports L2, DCFC, or other EVSE.

Projects

The Fleet Make-Ready Program aims to serve two target markets: 1) public fleets which cover local government, public serving, schools and universities, and not-for-profit organizations; and 2) public transportation (*e.g.,* school buses, and transit buses). These markets were identified for their ability to largely benefit customers in DACs and support NY State policy targets. PSEG Long Island also recognizes that private fleets are an important customer segment to support and is planning to start offering incentives for this customer segment starting July 2025 given recent program participation to date for public fleets and public transportation segments.

[113] Regardless of DAC status, projects that are only for private use would fall under the 50% Tier.

Table 3-6 shows the total number of projects estimated to be enrolled, respectively, by year and project type. These estimates are not tied to the number of ports enrolled, but the number of ports will be tracked through this program.

Table 3-6. Fleet Make-Ready Program Estimated Pre-Approved Projects[114]

Fleet Project Type	2025	2026	2027	2028	2029	2030	Total
	Forecast	*Forecast*	*Forecast*	*Forecast*	*Forecast*	*Forecast*	*Forecast*
Public Fleets	1	3	4	5	7	9	**29**
Public Transportation	3	6	8	10	12	15	**54**
Private Fleets	11	11	13	15	18	19	**87**
Total	**15**	**20**	**25**	**30**	**37**	**43**	**170**

Eligibility

The Fleet Make-Ready Program currently has a Public Fleets Offering and a Public Transportation Offering.

The Public Fleets Offering provides incentives to support public entities through their fleet electrification journey. To be eligible for the Public Fleets offering:

- The Applicant must be local government units, counties, municipalities, not-for-profit organizations, and public entities, such as schools, universities, fire houses, police authorities, sewage authorities, libraries, etc.
- Fleet vehicles must be operated by a public entity, or operated under contract to a public entity, and the vehicle may be used for any purpose.[115]

The Public Transportation Offering aims to support entities providing public transportation services. To be eligible for the Public Transportation Offering:

- The Applicant must be a fleet operator[116] providing transportation services to the public, such as transit, school, and public commuter and shuttle bus operators.
- Both for-profit and public entities that provide public transportation services are eligible to participate.

[114] These estimates are based on projects that may be pre-approved each year. Some projects may require more than a year to be completed. Additionally, the project size will be determined based on nameplate capacity.
[115] For both offers, eligibility is focused on the entity that operates the vehicles, not the entity that owns the vehicles. This allows for vehicle leasing by the operators, or other financing arrangements that might impact ownership status.
[116] For both offers, eligibility is focused on the entity that operates the vehicles, not the entity that owns the vehicles. This allows for vehicle leasing by the operators, or other financing arrangements that might impact ownership status.

Vehicles operated by a public entity or vehicles used to provide transportation services to the public (ex. school buses) are ineligible under the Public Fleets Offering but would be eligible under the Public Transportation Offering. Eligibility requirements are subject to change.

PSEG Long Island will also develop eligibility requirements for private fleet customers in July 2025. Private fleet customers include commercial businesses with vehicle fleets and more details will be available upon program update announcement.

Infrastructure Costs

The make-ready costs are divided into two categories: USMR and CSMR. **Table 3-7** shows the estimated infrastructure costs based upon multiple sources including actual average project cost data and various studies.[117] PSEG Long Island will plan to track and monitor what actual project costs will amount to by both USMR and CSMR, which would inform future cost estimates.

Table 3-7. Fleet Make-Ready Program Infrastructure Costs per Location

Project Type	USMR	CSMR	Total
Small/Medium (<1,000 kW)	$20,000	$112,974	**$132,974**
Large (>1,000 kW)	$200,000	$272,438	**$472,438**

Business Model

In contrast to the EV Make Ready Program, in which many projects utilize existing service and therefore USMR costs are almost non-existent, the Fleet Make Ready Program anticipates that most locations such as bus depots or municipal buildings, which typically do not have large electrical services, may require extensive infrastructure upgrades.

In 2025, PSEG Long Island reevaluated the incentive structure for the Fleet Make-Ready program to be based on incentive cap, as well as providing incentive opportunities to private fleets. Beginning in July 2025, the program will offer incentives depending on the eligible customer type and the USMR or CSMR infrastructure required (*see* **Table 3-8**). PSEG Long Island has also identified a higher incentive cap to support public projects and projects located within a DAC.

[117] See more details in the MHD Make Ready Study which can be found in 2023 Utility 2.0 Plan. (*See* **Footnote Citations and** for URL address).

Table 3-8. Fleet Make-Ready Program USMR and CSMR Incentive Structure (by Project Type)[118]

Project Type	USMR[119]	CSMR *(Non-DAC)*	CSMR *(DAC)*[120]
Public Fleets	$100,000	$20,000	$30,000
Public Transportation	$100,000	$50,000	$100,000
Private Fleets	$50,000	$20,000	$30,000

Future-proofing the make-ready infrastructure in the initial construction plan can help customers save costs by reducing or eliminating the need to address additional infrastructure with each subsequent charger installation. Customers may future-proof the CSMR up to 125% of current charger installation on a kW basis, while the utility may future-proof the USMR at its discretion. A customer must declare both planned and projected number and charging capacity of chargers needed at the site, as well as anticipated timeline for future charger installation. This program feature could significantly reduce the Utility's work volume in revisiting particular sites multiple times and allows customers to optimize their total project costs, while reducing the risk of stranded assets.

At the time of this filing, program participation in the Fleet Make-Ready Program has been slower than expected. While more than 50 fleet customers have gone through PSEG Long Island's Fleet Advisory Service, many of them are still working with Contractors to produce their fleet electrification plans and working with Distribution Design to identify USMR costs before applying to the program. The TE Team has also been collaborating with other internal business units that manage or work with customers to conduct outreach to fleet customers to further encourage fleet electrification. Additionally, because the majority of the fleet customers that the TE Team has been working with are school districts, as the fleet electrification mandates for schools may be updated in the near future, the participation from school districts might slow down. Thus, PSEG Long Island is expanding program eligibility to include private fleets in 2025 to increase participation.

Other Grants and Incentives

The Fleet Make-Ready program is focused on the make-ready component of an electrification project. The incentives offered by PSEG Long Island are intended to be combined with (*i.e.,* "stacked with") additional incentives available from other sources, including incentives related to vehicle purchase, and charging equipment. These incentives

[118] To be paid by the Utility as reimbursement at the end of construction, after final inspection.
[119] No customer deposit or CIAC is required.
[120] To qualify for the higher CSMR coverage, the project location needs to be within a DAC.

may be available on both state and federal level, and may include grants, rebates, and tax-based incentives.[121] Applicants must disclose sources and amounts of other grants and/or incentives to the utility at the time of application, along with estimated total charging infrastructure costs. Incentive amount may be adjusted by the Utility so that the total amount of all incentives for the charging infrastructure project does not exceed 100% of eligible costs.

Schedule Update

The EV Make-Ready Program and Fleet Make-Ready Program launched in mid-2021 and Q3 2024, respectively, and were both extended to 2030 to continue to serve the market (*see* **Table 3-9**). The assumed amount of infrastructure planned to be deployed in each year will continue to vary. All aspects of program management and data collection will span the full duration of infrastructure and incentive deployment.

Table 3-9. Make-Ready Program Proposed Schedule

Program Name	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030
Make-Ready Program										
EV Make-Ready Program										
Fleet Make-Ready Program										
Fleet Advisory Service										

3.2.1.2. Funding Reconciliation and Request

The EV Make-Ready Program spent approximately $8.58 million in 2024. The spending is less than originally budgeted, largely due to project costs and general administration costs coming in lower than expected. The forecasted budget for 2025 is approximately $14.65 million, of which approximately $11.30 million is planned for EV Make-Ready USMR and CSMR incentives, and $1.5 million is for the NYSERDA Clean Transportation Prize.[122] The forecasted budget for 2026 is approximately $12.11 million, of which approximately $10.16 million is planned for EV Make-Ready USMR and CSMR incentives, and $0.63 million is for the NYSERDA Clean Transportation Prize. The rest of the budget includes program management and IT costs.

The Fleet Make-Ready Program spent approximately $0.66 million in 2024. The spending is less than originally budgeted, largely due to less enrollment than expected. The forecasted

[121] These incentives and tax credits may go away at the federal level and the status is being monitored by PSEG Long Island.
[122] LIPA had signed an MOU with NYSERDA to award up to $7.5 million towards this effort until April 2026. Circuit (an EV shuttle service provider) was selected for the NYSERDA Clean Transportation Prize in 2020.

budget for 2025 is approximately $2.05 million, of which approximately $1.43 million is planned for Fleet Make-Ready USMR and CSMR incentives, and $0.31 million is for the Fleet Advisory Service[123]. The budget largely consists of the costs associated with the deployment of infrastructure and incentives but also includes program management and IT costs. The forecasted budget for 2026 is approximately $3.08 million, of which approximately $2.18 million is planned for incentives, and $0.32 million for the Fleet Advisory Service.

The Make-Ready Program is in the process of hiring one additional FTE to start Q3 2025 to help the program keep up with the growing demand, as well as supporting overall customer engagement and outreach efforts, and coordination among internal and external stakeholders. An emphasis on customer engagement and outreach through contractor outreach, stakeholder engagement, and other ME&O initiatives is critical to increase EV adoption and charger installation.

The overall budget request in 2026 is lower than what was previously outlined due to updated EV Make-Ready Program incentive structure and budget constraints.

The overall updated annual budgets and variance from budgets presented in the 2024 Utility 2.0 Plan are shown in **Table 3-10** and **Table 3-11**.[124]

Table 3-10. Capital and Operating Expense Actual, Forecast, and Projected[125]

Initiative	Category	Actual ($M)	Updated Forecast ($M)	Request ($M)	Projected (Not Requested) ($M)	Total ($M)
		2024	2025	2026	2027	
EV Make-Ready	Capital	2.77	5.81	1.08	1.37	11.02
	O&M	5.80	8.85	11.04	12.29	37.97
	Total	**8.58**	**14.65**	**12.11**	**13.66**	**49.00**
Fleet Make-Ready	Capital	0.00	1.04	1.81	2.22	5.06
	O&M	0.66	1.02	1.28	1.50	4.45
	Total	**0.66**	**2.05**	**3.08**	**3.72**	**9.52**
Full Program	Capital	2.77	6.84	2.88	3.59	16.09
	O&M	6.46	9.86	12.31	13.79	42.43
	Total	**9.24**	**16.71**	**15.19**	**17.38**	**58.52**

[123] The budget request for Fleet Advisory Service includes one FTE (Fleet Advisor) and the Fleet Advisory Online Tool.
[124] Budgetary values presented in the tables below are rounded to the hundredths decimal place.
[125] A portion of the Capital Forecasts for 2025-2027 are attributed to Capital Expenditure for Utility 2.0 PMO Support on the Make-Ready Programs.

Table 3-11. Capital and Operating Expense Budget, Forecast, and Variance

Initiative	Category	2024 ($M)	2025 ($M)	2026 ($M)
EV Make-Ready	Capital	(1.46)	(0.47)	(5.22)
	O&M	(2.04)	(0.43)	(5.10)
	Total	**(3.50)**	**(0.90)**	**(10.31)**
Fleet Make-Ready	Capital	(0.81)	(0.52)	(0.67)
	O&M	(0.65)	(0.05)	(0.07)
	Total	**(1.46)**	**(0.57)**	**(0.75)**
Full Program	Capital	(2.27)	(0.99)	(5.89)
	O&M	(2.69)	(0.48)	(5.17)
	Total	**(4.96)**	**(1.47)**	**(11.06)**

3.2.1.3. Performance Reporting

Through Q4 2024, 717 L2 and 228 DCFC ports have been energized through the EV Make-Ready Program. Key performance indicators (KPIs) and program benefits for EV Make-Ready are detailed in **Table 3-12** and **Table 3-13**. The Fleet Make-Ready Program will track these KPIs separately.[126]

Table 3-12. EV Make-Ready Program KPIs

Benefit	BCA Target Through 2024[127]	Realized Through 2024	Realized %[128]
# of DCFC Ports Energized	212	228	108%
# of L2 Ports Energized	605	717	119%

Table 3-13. EV Make-Ready Program Benefits

Benefit	2024 YTD Target ($M)	2024 YTD Realized ($M)	Realized %[129]
Avoided Carbon Emissions	2.32	2.75	119%
Avoided Gasoline Consumption	20.12	11.87	59%
Vehicle O&M Savings	2.87	2.25	78%
Gasoline Security Value	3.07	1.81	59%
Federal Tax Credit	28.24	23.81	84%

[126] See additional information on Fleet Make-Ready Program performance tracking in the section below.
[127] EV Make-Ready BCA Target was updated based on 2024 EV Make-Ready Program Forecast which incorporated actuals through 2023.
[128] Percentage Realized is based on updated BCA Target.
[129] Percentage Realized is based on updated BCA Target.

Additionally, PSEG Long Island is tracking and has been sharing how the program benefits customers in DACs through DPS Quarterly Reports on both program level and portfolio level.

Performance Measurement and Reporting

To track the overall performance of the Make Ready Program, PSEG Long Island will continue to track the same metrics identified through the EV Make Ready Program, as mentioned above, but also has additional KPIs that are used to measure program success. PSEG Long Island will capture and document data to continually evaluate and improve the approach, program design and budget assumptions to inform future program strategy. Such data will include: [130]

- Total USMR and CSMR costs
- Details about equipment installed, including charging port count, type, and nameplate capacity
- Customer segments applying to the program
- Incentive payments made for both USMR and CSMR
- Total Fleet size, vehicle classes and use-cases, fraction of fleet being electrified immediately (for the current project), and schedule for future electrification (estimated)
- Any managed charging or load reduction measures contemplated for the project

3.2.1.4. Lessons Learned

Table 3-14 shows feedback PSEG Long Island has received as well as the improvement opportunities and actions identified that PSEG Long Island may take to better support customer needs and improve customer experience.

PSEG Long Island continues to make improvements to the Make-Ready program offerings and will continue to do so by staying up to date with industry trends, engaging EV ecosystem partners, and reflecting on customer feedback to affirm efficient and successful program implementation.

[130] This list may be updated based upon potential program design updates.

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Table 3-14. Feedback from Customers on Program Improvement Opportunities

Category	Feedback Received	Improvement Opportunities
Program Participation	The application process is cumbersome, and it is unclear how long it would take to apply for the program.	• The TE Team has been making significant improvements to the existing application process. Such efforts include utilizing TRC Captures,[131] like the EE Program, where a centralized database allows PSEG Long Island to monitor and process applications more efficiently. • Approved Contractors can now utilize the Partner Portal to submit, monitor, and review their applications in TRC Captures. • The TE Team expanded available resources on PSEG Long Island's website to show applicants how to fill out the application to ensure that when they initially submit their application, it includes everything required.
	Customers need better insights into what the available capacity is on the grid.	PSEG Long Island developed an EV hosting capacity map that is available for customers and contractors to access.
Interest Area	Customers are eager to understand how to begin fleet electrification.	The TE Team recognizes the needs and interests from customers and aims to support them in the early stage of their electrification journey. Thus, PSEG Long Island offers Fleet Advisory Service which serves both public and private fleet customers since Q3 2023. The Fleet Advisor has been assisting customers to help them get started with their fleet electrification efforts.
Marketing, Education & Outreach (ME&O)	Customers and Contractors would like to get in touch with the TE Team via multiple platforms to ask questions and get an overview of the program.	• The TE Team launched Open Office Hours in 2024 in order for attendees to get their questions answered and connect with the Team on various topics. • The TE Team plans on hosting four customer roundtables in 2025, including two Fleet and two EV Make-Ready Program roundtables. • The TE Team trained various teams within PSEG Long Island to expand communications

[131] TRC Captures is an application processing software and database.

Category	Feedback Received	Improvement Opportunities
		channels for customers to learn about available TE programs. • Marketing materials were developed to be handed out to customers to learn more about the programs.
	Customers would like to know what program offerings are available for EVs in general.	The TE Team plans to further expand its ME&O efforts in 2025 and beyond. For example, the Team updated the EV website to provide simple, clear, and concise program instructions to assist customers through the enrollment process and improve customer experience. Additional information on the Transportation Electrification ME&O initiatives is detailed in the Customer Engagement sections under the 2030 Outlook.

Additionally, the TE Team has experienced some challenges around data quality and completeness with the EV Make-Ready Program similar to other NYS utilities. The TE Team intends to review the data collection and management process to standardize and streamline the reporting process.

The TE Team will continue to monitor adoption progress and assist customers with their electrification journey accordingly.

3.2.1.5. Next Steps

To deliver targeted education and outreach to customers regarding the EV Make-Ready and Fleet Make-Ready programs, the TE Team hosted two round tables for each program in 2024. The first round occurred in the first half of the year in February, and the second round occurred in the second half of the year in November. Allowing customers and contractors to engage directly with the TE Team allows PSEG Long Island to address head-on potential challenges and pain points customers may face deploying EVSE and electrifying vehicle fleets. These meetings also provide an opportunity to clarify available resources and collect customer feedback to improve the EV Make-Ready and Fleet programs on an ongoing basis. During each program's roundtables, attendees learned about relevant projects that have passed through their eligible program and how to use resources to reduce overall project costs. The TE Team similarly plans to host two additional EV Make-Ready and Fleet roundtables each in 2025 to continue engagement with contractors and business customers. Other targeted education and outreach efforts are discussed in **Section 3.3.2**.

PSEG Long Island will continue to promote the Make-Ready Program in 2025 and beyond and continue to provide the Fleet Advisory Service to support fleet electrification on Long Island.

3.2.2. EV Program

2025 Status	Active
2026 Status	Active
Start Year	2019
End Year	2028
Description and Justification	In 2025, the EV Program consists of the Residential Charger Rebate Program, the DCFC Incentive Program, and the EV Phase-In Rate. The Residential Charger Rebate Program became available to residential customers in February 2024 and is designed to be available to customers through 2028. The DCFC Incentive Program was modified to provide a 50% Demand Charge Rebate (DCR) to commercial customers in 2024 and will be discontinued when the new EV Phase-In Rate is implemented in Q4 2025 for Rate 285 customers and in Q1 2027 for Rate 281 customers.

The EV Programs aim to increase adoption of EVs on Long Island, align EV customer adoption strategy with reducing GHG emissions, empower customers, accelerate the EV charging infrastructure market, improve system efficiency, and encourage off-peak charging. The EV Programs will continue to serve EV customers in 2025 and beyond.

3.2.2.1. Implementation Update

See the scope and schedule updates below for EV Programs.

Scope Update

Residential Program

In 2024, PSEG Long Island reintroduced the Residential Charger Rebate Program to help lower the upfront cost of purchasing EV associated charging equipment. The Residential Charger Rebate Program currently offers participants a cash rebate with the purchase of an Energy Star-rated L2 charger.[132] Since the program became available to customers in February 2024, PSEG Long Island issued more than 1,700 non-DAC or LMI rebates and around 120 DAC or LMI rebates as of December 2024.

[132] See examples of Energy-Star Rated L2 chargers in **Appendix E** and associated URL address.

In 2025, based on a review of the program design for long-term planning for EV charging solutions including managed charging, PSEG Long Island plans to update program requirements to provide rebates only for smart L2 chargers[133] to affirm present investments in infrastructure are compatible with anticipated EV load management programs. Smart chargers include those that have the ability to be programmed to charge at specific hours or controlled by the user.

To help promote more equitable access to EVs, this program provides higher incentives for residential customers located within DACs, as well as LMI customers.[134] Due to lower than expected participation by DAC / LMI customers, PSEG Long Island proposes to update rebate amounts to increase the rebate amount for eligible DAC / LMI customers and lower the rebate amount for non-DAC / LMI customers.[135] The rebate amounts would be updated according to the table below:

Table 3-15. Residential Charger Rebates (2026-2028)

Period	2026-2028	
Customer Type	**Rebate Amount**	**# of Rebates / Year**
DAC / LMI	$400 / charger	700
Non-DAC / LMI	$100 / charger	1,300

PSEG Long Island will continue to monitor program participation with a particular focus on DAC / LMI customers resulting from the increased incentive level for these customers beginning in 2026.

As 82% of Long Island residents live in single-family homes,[136] having a Residential Charger Rebate Program that promotes L2 charging allows these customers to charge at home and take advantage of different pricing options offered by PSEG Long Island's pilot Time of Use[137] and currently available Time-of-Day rates by charging during off-peak or super off-peak hours to save more on their energy bills. The residential section of the EV website has information on available rate options and encourages customers to check out how to maximize savings by charging their EV overnight on the TOD Super Off-peak Rate.[138] While

[133] With the recent announcement of the Energy Star program closing, PSEG Long Island will utilize an EPRI database that include eligible L2 chargers with smart capabilities.
[134] Those on the Household Assistance Rate.
[135] PSEG Long Island forecasts issuing 2,000 rebates per year from 2026 to 2028. The number of rebates reserved for DAC customers is 35% of 2,000 rebates (700 rebates), which represents 68% of the program incentive budget.
[136] See additional information on Long Island housing in **Appendix E** and associated URL address. PSEG Long Island supports *multi-family* EV charging infrastructure upgrades through the EV Make-Ready Program.
[137] PSEG Long Island's voluntary time of use rates are no longer available for new enrollment; however, existing customers on these rates can remain on their rate.
[138] See additional information on EV owners and TOD rates in **Appendix E** and associated URL address.

currently customers are not required to be on the TOD rate to participate in this program, it is anticipated that most customers will have transitioned to TOD rates by 2026. In addition to TOD rates, which is a form of passive managed charging, PSEG Long Island is aiming to develop an active managed charging program in the future based on insights collected from TOD rates and other pilot programs.

Commercial Program

In January 2023, the PSC released an Order[139] establishing framework for alternatives to traditional demand-based rate structures for commercial EV charging. The Order recommended an immediate solution to implement a Demand Charge Rebate (DCR) that provides 50% off-bill rebate against traditional demand charges for public DCFC sites, and a near-term solution to implement an EV Phase-In Rate that will replace the Demand Charge Rebate once it is available.

In line with the Order, PSEG Long Island modified the DCFC Incentive Program, which offered per-plug incentives through 2023 by launching a 50% DCR in 2024. All legacy DCFC Incentive Program participants made a one-time switch to begin participation in the 50% DCR in January 2024. Any new participants enrolled in the program since the beginning of 2024 have been able to opt into the 50% demand charge rebate structure and will continue to participate until the EV Phase-In Rate solution becomes available for customer participation.

The EV Phase-in Rate is planned to launch in October 2025 for Rate 285 customers and in January 2027 for Rate 281 customers. DCFC Incentive Program participants will be made aware of the EV Phase-In Rate and when it will be available for them to apply as early as 60 days before the go-live date. Rate 285 customers will no longer be eligible for the DCFC Incentive Program once the EV Phase-In Rate is made available, with Rate 281 customers being able to remain in the program until January 2027.[140] The DCFC Incentive Program will continue to accept new applicants and serve existing program participants until the outlined dates for transition to the EV Phase-In Rate.

See **Table 3-16** below for upcoming program offering shifts.

[139] Case 22-E-0236, Proceeding to Establish Alternatives to Traditional Demand-Based Rate Structures for Commercial Electric Vehicle Charging, Order Establishing Framework for Alternatives to Traditional Demand-Based Rate Structures (issued January 19, 2023).
[140] There will be a 60-day grace period to remain on DCR for customers not responsive to the transition notifications to the EV Phase-In Rate.

Table 3-16. EV Program Commercial Offering Updates

Customer Type		Current Offering	October 2025	2026	2027
Rate 285 Customers	145 kW +	Demand Charge Rebate	EV Phase-In Rate		
Rate 281 Customers	7 kW – 145 kW	Demand Charge Rebate			EV Phase-In Rate

EV Phase-In Rate

The EV Phase-In Rate is a commercial tariff rate specifically designed for public charging and fleet electric vehicle charging that is intended to replace the Demand Charge Rebate program where participants will transition to the rate on an opt-in basis. It consists of four graduation tiers based on participants' annual load factor, phasing in increasing amounts of demand charge as customer load factor increases.[141] Within each graduation tier, there will be a customer charge, a time-based energy charge, and a demand charge component (except for Tier 1) with varying ratios. The EV Phase-In Rate begins as a time-based rate and incorporates a demand charge as charging station utilization increases with the intent to provide cost relief in the near-term when electric vehicle charging station utilization may be limited. This is intended to expand EV usage, support EV charging infrastructure by providing customers with price relief, and aid in the adoption of EVs.

The LIPA Tariff for Electric Service provides information regarding eligibility, enrollment, load factor calculation, rate periods, and supply charges:

- To be eligible for the EV Phase-In Rate, a customer must have a Charging Ratio of at least 50%. For customers with separately metered EV charging load, the Charging Ratio is assumed to be 100%. For customers with EV charging load commingled with other on-site loads, the Charging Ratio will be calculated as the ratio of the (i) sum of the EV charging capacity in kW to (ii) sum of the maximum kW demands of all loads that could occur simultaneously on the customer's account.
- The annual load factor (LF) will be calculated by dividing the energy usage (kWh) during a 12-month period by the product of the maximum demand (kW) during the period and the number of hours in the 12-month period.
- On initial application to the rate the customer must have a load factor of less than 25%. If the customer's load factor cannot be determined due to insufficient usage data (6 months or less), the customer will be placed onto Tier 1.

[141] Annual load factor computation is the ratio of annual energy consumption to the product of the simultaneous charging capacity (when available, otherwise nameplate capacity) and 8,760 hours (or 8,784 hours during a leap year).

- Four tiers have been established based on the load factor to determine the applicable EV Phase-In Rate for each customer:

Table 3-17. EV Phase-In Rate Customer Tiers

EV Charging Rate Tier	Load Factor
Tier 1	LF ≤ 10%
Tier 2	10% > LF ≤ 15%
Tier 3	15% > LF ≤ 20%
Tier 4	20% > LF < 25%

- For qualifying customers, PSEG Long Island will calculate two (2) times per year an annual load factor using past 12 months of data that will determine the customer's EV Charging Rate tier.
- A customer with an annual load factor greater than or equal to 25% for two consecutive measurement periods (1 measurement period = 6 months) will be transferred to their applicable standard commercial rate.

The tiers are designed to collect a set percentage of demand revenue through demand charges and usage charges:

Table 3-18. Demand and Energy Charges by Tier

Category	Tier 1	Tier 2	Tier 3	Tier 4
% of Demand Charge	0%	25%	50%	75%
% of Time-Based Energy Charge	100%	75%	50%	25%

Tiers 1 through 4 have been developed on a time-based energy charge with a peak, off-peak and super off-peak structure in the summer and an off-peak and super off-peak structure in the winter:

Table 3-19. Time-based Pricing for Peak, Off-Peak, and Super Off-Peak

Time Period	Summer (June-September)	Winter (October-May)
Peak	3 PM – 7 PM, M-F (excluding Federal Holidays)	N/A
Off-Peak	6 AM – 3 PM and 7 PM – 11 PM, M-F 6 AM – 11 PM, Saturday – Sunday	6 AM – 11 PM, Every day
Super Off-Peak	11 PM – 6 AM, Every day	11 PM – 6 AM, Every day

The EV Phase-In Rate will be implemented in three phases. Phase 1 will be initiated in October 2025, with the minimum viable product for Rate 285 customers that will go live with

the rate launch. Phase 2 is planned for July 2026, which enables re-evaluations of customer eligibility and tier movement, as well as regulatory reporting capabilities. This date is consistent with LIPA's tariff and DPS requirements. Phase 3 is planned for H1 of 2026 to prepare for the introduction of Rate 281 customers in 2027.

Schedule Update

Residential Charger Rebate Program is designed to offer rebates to residential customers until 2028. The DCFC program will continue to provide 50% Demand Charge Relief until EV Phase-In Rate becomes available to customers. **Table 3-20** details the proposed schedule for the EV Program.

Table 3-20. EV Program Schedule

Program Name	2024	2025	2026	2027	2028	2029	2030
Residential Program							
Charger Rebate Program							
Commercial Program							
DCFC Incentive Program							
EV Phase-In Rate							

Risks and Mitigations

Table 3-21 outlines the potential risks and proposed mitigation steps for the implementation of the EV Phase-In Rate.

Table 3-21. Risk and Mitigation Assessment – EV Phase-In Rate

Category	Risk	Mitigation
Schedule	Production issues that may impact resource capacity and release schedule.	• Identify alternate resource(s), where applicable, to resolve production issues or complete project deliverables. • Identify alternate approach to resolve production issues while completing project deliverables on schedule where possible.

Category	Risk	Mitigation
Customer Enrollment	Customers might be hesitant to enroll in the new EV Phase-In Rate due to lack of familiarity and complexity of the rate design.	• Develop a targeted customer communication plan in support of the EV Phase-In Rate rollout. • Customers will be able to easily locate their tier and load factor information on their monthly bills and on their customer accounts. • Train relevant customer service representatives to better assist customers.

3.2.2.2. Funding Reconciliation and Request

The EV Program spent approximately $2.36 million in O&M in 2024. The spending was slightly less than budgeted mainly due to less enrollment in the Residential Charger Rebate Program than forecasted. In 2025, PSEG Long Island was approved $1.38 million in O&M to offer participants cash rebates with the purchase of an Energy Star-rated L2 charger. The Residential Charger Rebate Program requests $0.59 million in O&M for 2026 to offer participants cash rebates with the purchase of an approved L2 smart charger. The change in available customer incentives for the program is the result of budget constraints.

The DCFC Incentive Program spent approximately $1.63 million in O&M to pay out Per-Plug Incentive or Demand Charge Rebate in 2024 and was approved $1 million to provide participating customers with 50% Demand Charge Rebate in 2025. To provide commercial customers on Rates 285 and 281 demand charge relief until they are eligible to transition to the EV Phase-In Rate offering in October 2025 and January 2027, respectively. PSEG Long Island requests $0.15 million in 2026 and forecasts a budget need of $0.25 million in 2027.

The forecasted spend for 2025 is higher than the approved budget primarily due to the IT budget increase for EV Phase-In Rate. The implementation of the EV Phase-In Rate requires approximately $3.74 million in 2025 to account for incremental IT development costs, as well as a third-party consultant[142] to assist the implementation of the rate. The forecasted costs in 2025 is approximately $1.54 million higher than originally forecasted due to the complexity of the rate as well as the need to build an automated process. It further requires approximately $4.11 million for the aforementioned two cost categories in 2026.[143]

[142] The third-party consultant provides coordination and planning support, business process design, and change management support.
[143] PSEG Long Island anticipates that the rate will go live in October 2025 for Rate 285 customers. A needs assessment for 2026 and 2027 were developed for post go-live support for Rate 285 customers and implementation for Rate 281 customers.

PSEG Long Island will consider the capacity of the TE Team to onboard an additional team member in the future as an additional FTE was approved under the EV Program in 2024.

For 2025, PSEG Long Island was approved $250,000 for ME&O to enhance engagement and outreach efforts to both commercial and residential customers, with an emphasis on DAC customers, to increase EV adoption and program enrollment. For 2026, PSEG Long Island requests $250,000 to continue the enhanced ME&O efforts.

The updated annual budgets and variances from the budgets presented in the 2024 Utility 2.0 Plan are shown in **Table 3-22** and **Table 3-23**.[144]

Table 3-22. Capital and Operating Expense Budget, Actual and Forecast ($M)[145]

Initiative	Category	Actual ($M)	Updated Forecast ($M)	Request ($M)	Projected (Not Requested) ($M)	Total ($M)
		2024	2025	2026	2027	
Demand Charge Rebate	Capital	0.00	0.00	0.00	0.00	0.00
	O&M	1.63	1.00	0.15	0.25	3.03
	Total	**1.63**	**1.00**	**0.15**	**0.25**	**3.03**
EV Phase-In Rate	Capital	0.60	3.74	4.11	0.39	8.84
	O&M	0.00	0.00	0.00	0.00	0.00
	Total	**0.60**	**3.74**	**4.11**	**0.39**	**8.84**
Residential Charger Rebate Program	Capital	0.00	0.00	0.00	0.00	0.00
	O&M	0.63	1.38	0.59	0.60	3.19
	Total	**0.63**	**1.38**	**0.59**	**0.60**	**3.19**
Marketing and Outreach	**O&M**	**0.09**	**0.25**	**0.25**	**0.25**	**0.84**
Full Program	Capital	**0.60**	**3.74**	**4.11**	**0.39**	8.84
	O&M	**2.36**	**2.63**	**0.99**	**1.10**	7.07
	Total	**2.96**	**6.36**	**5.10**	**1.48**	**15.91**

[144] Budgetary values presented in the tables are rounded to the hundredths decimal place.
[145] A portion of the Capital Forecasts for 2024-2026 are attributed to Capital Expenditure for Utility 2.0 PMO Support on the EV Programs.

Table 3-23. Capital and Operating Expense Variance

Initiative	Category	2024 ($M)	2025 ($M)	2026 ($M)
Demand Charge Rebate	**Capital**	0.00	0.00	0.00
	O&M	0.14	0.00	0.15
	Total	**0.14**	**0.00**	**0.15**
EV Phase-In Rate	**Capital**	(0.10)	1.73	3.99
	O&M	0.00	(0.19)	(0.20)
	Total	**(0.10)**	**1.54**	**3.80**
Residential Charger Rebate Program	**Capital**	0.00	0.00	0.00
	O&M	(0.74)	0.00	(0.79)
	Total	**(0.74)**	**0.00**	**(0.79)**
Marketing and Outreach	**O&M**	**(0.03)**	**0.00**	**0.05**
Full Program	**Capital**	(0.10)	1.73	3.99
	O&M	(0.63)	(0.19)	(0.79)
	Total	**(0.73)**	**1.54**	**3.21**

3.2.2.3. Performance Reporting

The metrics for the EV Program track the participation rates in the residential and public charging programs. For the Residential Charger Rebate Program, the number of participants is tracked via the number of Charger rebates paid to customers. Participation in the DCFC Incentive program is tracked as the number of DCFC ports energized (**Table 3-24**).

Table 3-24. EV Program KPIs

Benefit	Target Through 2024	Realized Through 2024	Realized %
Number of EVs Sold on Long Island	53,469	63,982	120%
Number of Charger Rebates Paid	5,000	1,834	37%
Number of DCFC Program Ports Energized	NA[146]	98	NA

[146] The DCFC Incentive Program was extended to provide demand charge rebate until the EV Phase-In Rate becomes available. As such, the original program forecast no longer applies. The updated program forecast is detailed in the supporting budgetary documentation.

Performance Measurement and Reporting for EV Phase-In Rate

For Demand Charge Rebate and EV Phase-In Rate, PSEG Long Island will also track the following on a semi-annual basis:

- Number of accounts participating in solution
- Participants' average peak demand (kW)
- Participants' average monthly kWh consumption
- Participants' average annual load factor on a year-to-date basis
- Number and type of each charger participating; and
- The following data on an aggregated basis:
    - Percentage of charging occurring during off-peak periods
    - Percentage of charging occurring during on-peak periods
    - Percentage of charging occurring during super-peak periods

Additionally, PSEG Long Island plans to report on the following on an annual basis:

- Year-over-year growth rate in number of accounts participating in solutions
- An assessment of whether incremental EV charging load has resulted in local grid impacts
- An assessment of the extent to which incremental EV charging load has resulted in upward or downward rate pressure on non-participating customer rates
- An assessment of the impacts of solutions on LMI customers and DAC residents

As the EV Phase-In Rate will go-live in October 2025, PSEG Long Island plans to develop semi-annual and annual reports from 2026 based on these metrics above and further implementation insights.

3.2.2.4. Lessons Learned

PSEG Long Island collects valuable feedback from customers to better promote the programs and provide clarity, where needed, to further enable EV adoption. In 2024, PSEG Long Island updated the EV Program website to provide additional resources and information to customers to promote EV adoption. Due to lower-than-expected participation by DAC / LMI customers in the Residential Charger Rebate Program, PSEG Long Island is proposing to update rebate amounts to increase the rebate amount for eligible DAC / LMI customers. In 2026, PSEG Long Island will also plan to refresh relevant webpages to provide additional customer education on smart chargers to facilitate EV customers'

participation in managed charging program offerings in the future, promoting access to potential cost savings in the longer term as well.

The DCFC Incentive Program data provides insights into customer load factor, and the design and implementation of the EV Phase-In Rate, enabling PSEG Long Island to develop a solution that better serves the needs of customers.

3.2.2.5. Next Steps

PSEG Long Island will continue to monitor LMI / DAC customer participation in the Residential Charger Rebate Program and may explore additional options to increase LMI / DAC program participation.[147] PSEG Long Island will continue to serve commercial customers with the DCFC Incentive Program and will work to plan for successful implementation of the EV Phase-In Rate through 2027.

3.2.3. Suffolk County Bus Make-Ready Pilot

2025 Status	Active
2026 Status	Operational
Start Year	2022
End Year	2025 *(Operationalized in 2026)*
Description and Justification	PSEG Long Island is supporting the make-ready infrastructure for Suffolk County's electric buses to better understand the needs, costs, and challenges of electrifying public MDHD transit fleets. The lessons learned through this initiative will be utilized to support and scale future programs related to electrifying transit fleets in PSEG Long Island's service territory. After the buses are deployed, the bus and charger data will be evaluated in late 2026 or early 2027.

PSEG Long Island is supporting the make-ready infrastructure for Suffolk County's electric buses to better understand the needs, costs, and challenges of electrifying public transit fleets by supporting the construction of the necessary make-ready infrastructure for two charging sites (West Babylon and Ronkonkoma – *see* **Figure 3-4**). At the time this pilot was proposed in the 2021 Utility 2.0 Plan, it was beyond the scope of the EV Make-Ready Program, which is focused on light duty vehicle charging infrastructure. As of 2024, PSEG

[147] See **Section 3.3.2.1** for additional information regarding increasing program participation for DACs.

Long Island has added its Fleet Make Ready Program, which supports make-ready infrastructure requirements for LDV and MDHDV fleets.

Figure 3-4. Suffolk County Bus Make-Ready Site Map

This pilot should help inform how public transit fleets could participate in the Fleet Make Ready Program and if any program changes should be considered. Upon completion, the deployed make-ready infrastructure is expected to support the charging requirements of approximately 40 buses (20 buses at each site). Suffolk County does not operate its transit system directly. Instead, the County retained operators through a competitive solicitation process. While Suffolk County will own the EV buses and the chargers to support them, the operators own the depots and pay for the investments needed to accommodate the electric bus charging.

3.2.3.1. Implementation Update

See the scope and schedule updates below for Suffolk County Bus Make-Ready Pilot.

Scope Update

The scope remains as previously proposed in the 2021 Utility 2.0 Plan. The pilot is divided into three primary workstreams / stages (as shown below), and the PSEG Long Island project team is currently on Stage 2 (as of Q1 2025).

1. **Finalize Cost Estimates:** PSEG Long Island worked with Suffolk County and Suffolk County's Transit Operators to develop refine and finalize cost estimates for both the USMR and CSMR infrastructure.
2. **Deploy Make-Ready:** Following the selection confirmation of the incumbent Transit Operator, the make-ready infrastructure continues to be deployed. The make-ready

infrastructure for the Ronkonkoma location is expected to be deployed by the end of 2025. Both sites are expected to be officially completed by the end of 2025 once the final charger wiring can be installed, and the buses are delivered.

3. **Data Collection & Evaluation:** After the make-ready infrastructure has been deployed and the transit buses are delivered (likely late 2025 or early 2026), Suffolk County will begin operation of the electric buses. Over the course of 12 months, PSEG Long Island will collect AMI data from Suffolk County. The AMI data will be evaluated to determine the sufficiency of the charging infrastructure, the timing of charging activity, and gain insight to apply to future support for public transit electrification.

After 2025, assuming Suffolk County meets their schedule for infrastructure installations and the buses are delivered on time, the primary scope of the Suffolk County Bus Make-Ready Pilot will be complete with the exception of the Final Pilot Assessment Report that will be completed in late 2026 or early 2027 (depending on bus delivery). As a result, this pilot will transition into an operational status in 2026 as core PSEG Long Island budget will be used to support the development of the Final Pilot Assessment Report.

Schedule Update

In 2022 and 2023, the pilot schedule was affected by a malware attack on Suffolk County, delays in the Request for Proposal (RFP) and contracting processes, and later-than-expected delivery dates for the electric buses. Due to these delays, the two sites are expected to be completed and up and running with rebates fully paid by the end of 2025 with the exception that the bus and charging data will be evaluated in late 2026 or early 2027.

Upon awarding Operators in 2023, Suffolk County learned that one of the Operators had already built out their site (West Babylon) for 1.5 MW of USMR infrastructure. At the Ronkonkoma site, construction for 1.5 MW both USMR infrastructure and installation of CSMR started in March 2024. Concrete Pads have been installed for both transformers and the switchgear, and the switchgear was delivered and installed in Q3 2024. The final installation of wiring (CSMR) and charging pad installation are expected to be completed in Q4 2025 and invoices to the contractors will be issued upon cost item completion at the site.

Suffolk County received partial payments for both the Ronkonkoma and West Babylon sites for funds accrued in 2024 to disperse to both operators. Suffolk County issued the RFP in Q2 2024, which will result in the delivery of the 40 buses in late 2025 or early 2026. Now that the RFP is finalized, the contractor can begin the next steps for CSMR at both sites and final payments will be sent by the end of 2025 to Suffolk County.

A Final Pilot Assessment Report can only be completed following a 12-month data collection period after the buses are delivered and in operation. The Final Pilot Assessment Report will be funded outside of the Utility 2.0 Program and is expected to be completed in late 2026 or early 2027, depending on when the buses are delivered.

Risks and Mitigations

Table 3-25. Risk and Mitigation Assessment – Suffolk County Bus Make-Ready Pilot

Category	Risk	Mitigation
Technical	Equipment replacement could lead to change in system infrastructure configuration.	Coordinate with Suffolk County to confirm assumptions around charging requirements.
Schedule	Significant delays in delivery of the electric buses could lead to project evaluation delays and the underutilization of the make-ready infrastructure.	Build flexibility into the project schedule to accommodate delays.
	Significant delays in scoping the schedule/plans with the bus operating company could lead to delays in the overall project schedule.	Build flexibility into the project schedule to accommodate delays and escalate timeline concerns to key stakeholders (as necessary).
Storm Response	Storm duty takes priority over everything, including project work. PSEG Long Island labor availability may be impacted, and project deliverables/tasks may be delayed due to storm duty.	Plan and anticipate schedule impact due to storm duty. Notify relevant stakeholders (*i.e.,* the DPS, LIPA) when storm duty will impact the submittal of deliverables.

3.2.3.2. Funding Reconciliation

Updated annual budgets and variances from the budgets presented in the 2024 Utility 2.0 Plan for the Suffolk County Bus Make-Ready Pilot are shown in **Table 3-26** and **Table 3-27**, respectively. It is important to note that budgetary values presented in the tables below are rounded to the hundredths decimal place.

Table 3-26. Capital and Operating Expense Budget, Actual and Forecast ($M)

Category	Actual ($M)	Updated Forecast ($M)	Request ($M)	Projected (Not Requested) ($M)	Total ($M)
	2024	2025	2026	2027	
Capital	0.05	–	–	–	**0.05**
O&M	0.48	0.28	–	–	**0.76**
Total	**0.53**	**0.28**	**–**	**–**	**0.82**

Table 3-27. Capital and Operating Expense Variance ($M)

Category	2024 ($M)	2025 ($M)	2026 ($M)
Capital	0.00	–	–
O&M	0.03	(0.03)	–
Total	**0.03**	**(0.03)**	**–**

Make-Ready (Utility)

The USMR infrastructure costs for two bus charging stations include all equipment, materials, and construction needed to supply power to the charging stations (*see* **Figure 3-1** for more details on USMR).

The USMR infrastructure payments were initially anticipated to be paid out by the end of 2023. However, these payments did not materialize as planned due to overall timeline delays and upgrades that were needed at the Ronkonkoma site. In 2024, partial payments for the USMR infrastructure were accrued for both sites and final payments will be made by the end of 2025.

Make-Ready (Customer)

The CSMR costs for two bus charging stations include all infrastructure between the meter and the actual charging equipment (*see* **Figure 3-1** for more details on CSMR). Due to contracting and procurement delays, the CSMR costs for the two bus charging sites were paid partially in 2024 and will be fully paid by the end of 2025, rather than by the end of 2023 as originally planned.

The O&M variance in **Table 3-27** is due to bus chargers for the Ronkonkoma site that were expected to be paid out in 2025 but were paid at the end of 2024 instead. The overall budget of the project did not change.

Evaluation, Measurement, and Verification (EM&V)

Once the make-ready infrastructure is deployed and the buses are delivered, Suffolk County will begin operation of the electric buses. PSEG Long Island will collect at least 12 months of AMI and charging data from Suffolk County that will be evaluated to determine the sufficiency of the charging infrastructure and gain insight to apply to future support for public transit electrification. Given that at least one year of charging data is needed for the charging analysis and that buses are expected to be delivered by the end of 2025 or in early 2026, the Final Pilot Assessment Report cannot be developed until late 2026 or early 2027.

3.2.3.3. Performance Reporting

Once the pilot is complete, PSEG Long Island will assess the pilot hypotheses as proposed in the 2021 Utility 2.0 Plan and analyze the following metrics to gain insights from the pilot:

- **Make-ready costs:** Record the total make-ready costs of each site. This will provide insight into the costs PSEG Long Island transit owners and operators can expect for similar public transit fleet electrification efforts.
- **Ratio of USMR to CSMR costs:** Calculate the portion of the total make-ready costs that are utility-side versus customer-side. This data will support the determination of how public transit make-ready costs are allocated and how they may vary from light duty.
- **Analysis of daily consumption patterns once chargers are installed and buses deployed:** Analyze AMI meter data from each site once operational to better understand grid impacts and future planning considerations.
- **Identification of future customer support needs:** Utilize experience gained during this effort to better support future MD/HD fleet conversions, especially in the municipal transit area.

3.2.3.4. Lessons Learned

PSEG Long Island cannot finalize CSMR efforts until the county and its operators are able to fulfill their tasks, such as providing specifications for charging equipment. Working with multiple stakeholders necessitates close coordination, and timeline impacts beyond PSEG Long Island's control can obstruct progress. The lessons learned through this pilot will be used to inform future project considerations related to electrifying transit fleets, including identifying opportunities to reduce infrastructure requirements through managed charging.

3.2.3.5. Next Steps

In 2025, PSEG Long Island will complete USMR construction at Ronkonkoma Site and the installation of wiring at West Babylon site. Following installation, PSEG Long Island will also finalize charging specifications and follow-up with completed invoices. Final rebate payments for both sites are expected to be issued by the end of 2025. Depending on the timing of the delivery of the 40 buses, the Final Pilot Assessment Report will be completed in late 2026 or early 2027 as 12 months of data will be required for evaluation.

3.3. Transportation Electrification 2030 Outlook

PSEG Long Island supports New York State's transportation electrification targets through a variety of initiatives that encourage wider adoption of electric vehicles (EVs).

2030 Targets

2030 Target	N/A
2030 Achievement (as of Q1 2025)	75,033 EVs

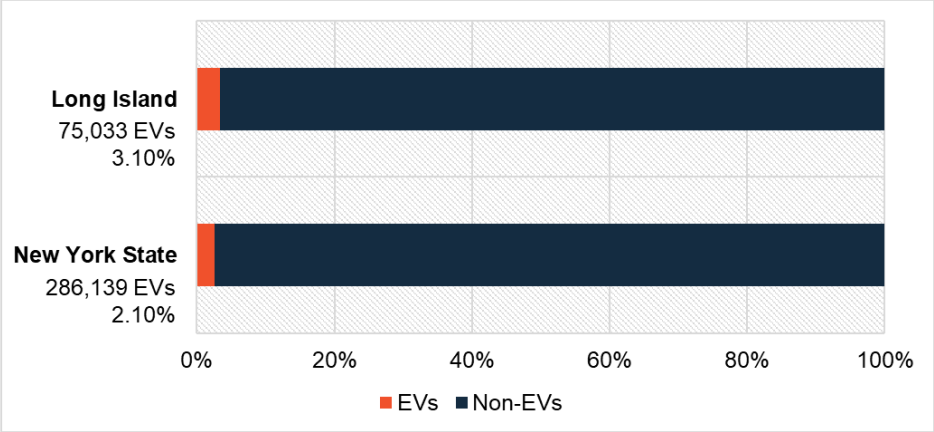
EV Target

PSEG Long Island has not established a 2030 goal as the state guideline is not available at the time of publication of this 2025 Utility 2.0 Plan.

EV Penetration

As of Q1 2025, there are 75,033 EVs on Long Island, representing 3.10% of all vehicles on the road in Long Island. This reflects a higher EV penetration than in New York State overall, where there are 286,139 EVs on the road, representing 2.10% of all vehicles on the road. PSEG Long Island will continue to monitor EV penetration across the state as the team continues to address barriers to EV adoption (**Figure 3-5**).[148]

Figure 3-5. EV Penetration on Long Island and in New York State



Program Expansion

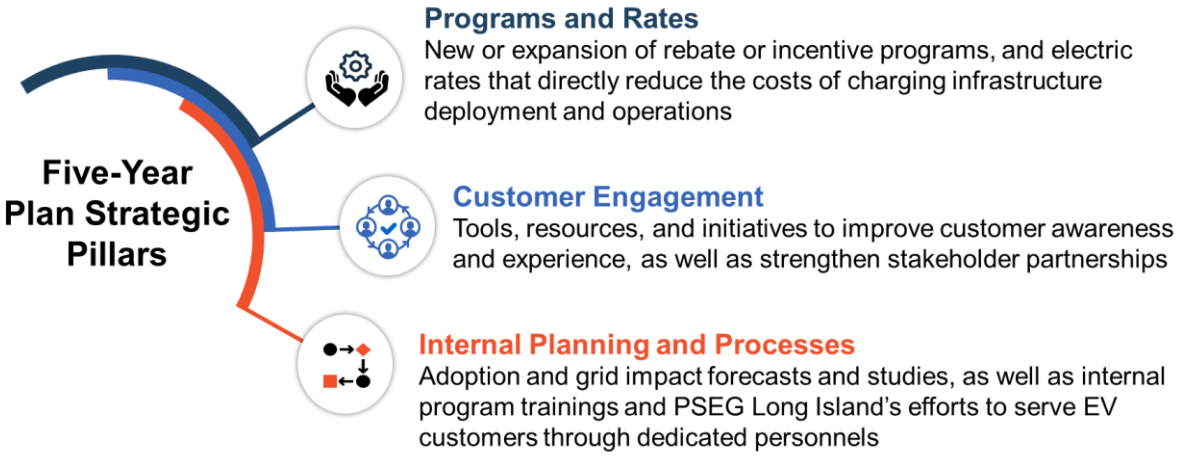
Through the Five-Year Plan effort in 2024, PSEG Long Island identified areas where the Transportation Electrification (TE) Team could expand offerings for EV customers to address barriers to EV adoption and charging infrastructure deployment. The 2030 Outlook provides an update on the identified areas of program development and process improvement. PSEG Long Island continues to enhance engagement and outreach efforts to residential and commercial customers, with an emphasis on DAC customers, to increase EV adoption and program enrollment. PSEG Long Island will also continuously evaluate overall port targets and prioritize DAC customer participation under the EV Make-Ready Program. Furthermore, PSEG Long Island plans to expand customer segment eligibility and project targets under the Fleet Make-Ready Program beyond public fleets and public transportation to increase

[148]According to the Atlas Public Policy EvaluateNY Tool, as of March 2025, Long Island's EV penetration is 3.10% as compared to NYS as a whole at 2.10% penetration. (*See* **Appendix E** for URL address).

electrification opportunities for a broader MHD fleet customer base. Lastly, PSEG Long Island has identified managed charging offerings for both commercial and residential customers that encourage charging behavior intended to benefit the grid and the environment, while reducing energy bill impacts for both customer segments. PSEG Long Island plans to expand managed charging offerings over the next five years to manage EV charging for LD and MHD vehicles to support the electrical grid.

PSEG Long Island supports the build out of EV infrastructure and overall adoption of EVs through a variety of programs and offerings for residential, commercial, and fleet customers. 2030 Outlook is discussed in three categories as established last year in the Five-Year Plan: programs and rates, customer engagement, internal planning, and processes, as depicted in **Figure 3-6**.

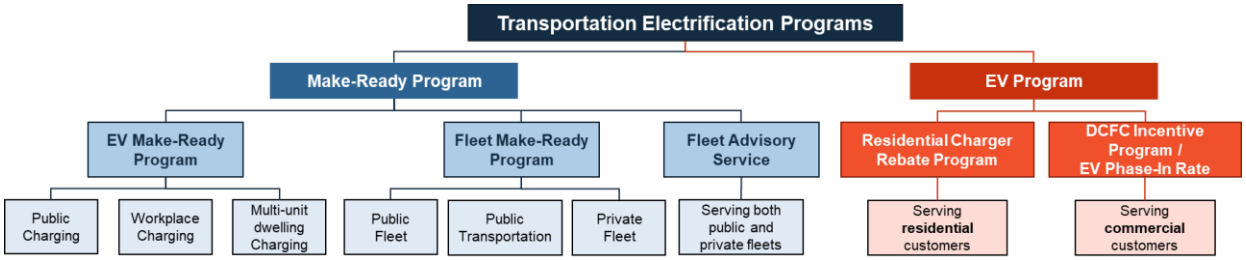
Figure 3-6. Five-Year Plan Strategic Pillars



3.3.1. Programs & Rates

PSEG Long Island currently offers several programs to support residential, commercial, and fleet customers. These programs include the Make-Ready Program and Electric Vehicle Program. **Figure 3-7** illustrates the current structure of PSEG Long Island's programs and target customers served.

Figure 3-7. Current Transportation Electrification Program Structure



PSEG LONG ISLAND

3.3.1.1. Infrastructure Support

PSEG Long Island plans to continue to expand the existing incentive programs that PSEG Long Island currently offers to support EV charging infrastructure deployment with proposed modifications.

The Make-Ready Program, which includes the EV Make-Ready Program, the Fleet Make-Ready Program, and the Fleet Advisory service, was updated to run through 2030 to support the deployment of public, workplace, MUD, and fleet charging infrastructure on Long Island. In 2025, the EV Make-Ready Program updated its overall port target through 2030 to account for a lower target for L2 ports and a higher target for DCFC ports than previously forecasted, largely due to customer preference for BEV over PHEV. PSEG Long Island also plans to update the Fleet Make-Ready Program to include private fleet customers in addition to continuing to serve target segments that enable benefits for DAC customers.

The EV Program consists of one residential program, the Residential Charger Rebate Program, one commercial program, the DCFC Incentive Program, and the commercial EV Phase-In Rate. The Residential Charger Rebate Program will continue through 2028 with modification to program eligibility to provide cash rebates only to smart L2 chargers to prepare infrastructure to support future managed charging programs, as well as adjust rebate amounts to incentivize participation by DAC/LMI customers. The commercial DCFC Incentive Program which provides a 50% Demand Charge Rebate will be replaced by EV Phase-In Rate for Rate 285 customers at the initial launch in October 2025 and for Rate 281 customers in 2027.

3.3.1.2. Rates and Load Management Strategies

From 2026 to 2030, PSEG Long Island will continue to provide options for customers to reduce electric bills and manage their charging load through rates and load management programs that also benefit the grid and Long Island community.

Managed Charging Roadmap

In 2024, the TE Team developed a Five-Year Managed Charging Roadmap for both residential and commercial customers. The TE Team conducted a benchmarking analysis against the JUs and other utilities across the country to understand how managed charging for residential and commercial customers could be successfully implemented. Key takeaways were:

- All the JUs offer residential managed charging programs and most offer an active residential managed charging program.
- Commercial managed charging pilots/programs follow a delayed timeline in comparison to residential managed charging programs because of increased data needs to understand load impacts and implementation solutions.

The TE Team plans to continue to refine strategies when designing managed charging programs in subsequent years. In 2025, as part of the effort to update the Managed Charging Roadmap, PSEG Long Island identified the four categories of managed charging programming being developed internally: active residential, passive residential, active commercial, and passive commercial managed charging. PSEG Long Island is at various stages deploying the four managed charging initiatives which span these program types:

1. **Passive Managed Charging – Residential Time-of-Day (TOD) Rates:** TOD rates are a form of passive managed charging that incentivize customers to charge off-peak and save on energy bills, while enabling PSEG Long Island to better manage EV load and alleviate grid constraint. In 2023, PSEG Long Island launched its TOD rates to incentivize customers to charge EVs during off-peak and overnight super off-peak hours. PSEG Long Island will leverage data collected and lessons learned from the TOD rates to better understand its effectiveness and inform future development of EV load management strategies. PSEG Long Island will assess the need to encourage additional EV owners to opt for the Super Off-peak Rate as well as the need for an active managed charging program due to unintended consequences, such as secondary timer peaks.[149] The impacts of timer peaks on distribution feeders could intensify as EV penetration grows. PSEG Long Island will consider such impacts when developing and implementing residential active managed charging to reduce or eliminate timer peaks.
2. **Passive Managed Charging – Commercial EV Phase-In Rate:** The EV Phase-In Rate is a passive managed charging option for commercial customers. This commercial rate is specifically designed for public EV charging stations and commercial fleet customers. Beginning in 2025, the EV Phase-In Rate will replace the DCFC Incentive Program, which currently provides a 50% Demand Charge Relief. Eligible customers will transition from the DCFC Program to the new EV Phase-In Rate launching in October 2025 for Rate 285 customers and in January 2027 for Rate 281 customers. These customers can opt into the rate, which features four graduation levels based on participants' annual load factor. Within each graduation level, there will be a customer charge, a TOU energy charge, and a demand charge component with varying ratios. This will enable customers to reduce charging costs by alleviating the impact of demand charges to further enable electrification.

[149] "Timer peak" is an unintentional synchronizing effect on EV charging patterns being observed when EV charging is scheduled to coincide with the optimal TOU window or to begin charging simultaneously at the start of the off-peak pricing period in response to lower off-peak pricing. See more information here. (*See* **Appendix E** for URL address).

3. **Active Managed Charging – Residential Pilot with Optiwatt:** In 2025, PSEG Long Island kicked off a collaboration with EV managed charging platform provider, Optiwatt, on an active residential managed charging pilot that is expected to initiate in summer 2025 and run through 2026. Pilot funding was awarded by NYSERDA through a PON grant to demonstrate how management of residential charging load can lessen the strain on the PSEG Long Island distribution grid. The project is currently in the early stages of planning and has not undergone demonstration. Optiwatt will share EV telematics data and a personalized program dashboard with PSEG Long Island to optimize charging for 300-500 existing Optiwatt users in PSEG Long Island's service territory participating in the program, using data to stagger EV charging load to eliminate timer peaks caused by rates or default OEM charging schedules. The EV insights dashboards will be developed using telematics data including charging location, daily load curves, timing and duration, kWh, charger and vehicle data, and customer rate enrollment. The platform will consider customers who are enrolled in residential Time-of-Day rates as a passive managed charging option to eliminate timer peaks. The pilot will offer valuable insights into the effectiveness of an active managed charging approach, customer interests and responsiveness, and inform the ideal program design for a full program. PSEG Long Island will also draw from the experiences of peer utilities when designing future active managed charging programs.
4. **Active Managed Charging – Commercial & Residential Dynamic Load Management (DLM) Programs:**[150] In 2025, PSEG Long Island confirmed that commercial and residential EV customers can participate in the existing DLM programs, the Commercial System Relief Program (CSRP) and Distribution Load Relief Program (DLRP), to manage their load through an aggregator or as an individual participant who can provide more than 50 kW in load relief. Called, planned, curtailment events will be scheduled when the forecasted peak demand level is expected to reach or exceed 94% of the forecasted system peak for the summer. Through the DLM program, PSEG Long Island will notify the aggregators and direct participants of the curtailment events. The aggregators will then notify their participants to respond to the events to provide load relief by reducing or deferring load. PSEG Long Island anticipates more than 100 residential EV customers will participate this year through the CSRP and DLRP.[151] In 2025 and beyond, PSEG Long Island plans to engage with aggregators and develop targeted marketing strategy to EV customers who can benefit by managing load through the existing

[150] For additional information regarding the DLM program, please refer to **Section 4.2.3**.
[151] For additional information regarding EV customer participation in the DLM program, please refer to **Section 4.2.3**.

DLM programs. PSEG Long Island plans to analyze customer experience beginning in 2025 to refine participation for these customers moving forward.

PSEG Long Island has carefully identified these programs as key drivers of the Managed Charging Roadmap and is particularly interested in how data and lessons learned from current and near-term initiatives can be integrated into ongoing managed charging program design. The TE Team will analyze the insights collected from the TOD rates and the Optiwatt pilot and evaluate as customers begin to enroll in the EV Phase-In Rate and/or the DLM program to design a scaled active managed charging offering for residential customers in the future and investigate program design for future commercial managed charging pilots/programs. PSEG Long Island plans to not only evaluate the design of these programs for their individual improvement, but also to determine where certain programs should be scaled and/or new offerings should be explored.

3.3.1.3. Other Programs and Resources

PSEG Long Island also offers a Demand Reduction Value (DRV) tariff[152] and the EV Hosting Capacity Map to provide customers with additional benefits related to EV drivers and owners. Through the Fleet Advisory Service and customer engagement, several fleet owners and commercial customers have expressed interest in Vehicle-to-Grid (V2G) programs. PSEG Long Island offers a DRV tariff that allows EV owners to schedule their EV to be available to discharge to the grid. Under DRV, customers receive compensation on a $/kWh basis, while also helping PSEG Long Island alleviate grid constraint. These offerings are highlighted on the EV Website to commercial and fleet customers. EV Hosting Capacity Maps are currently available on PSEG Long Island's website as an informational tool for EV customers and contractors. These maps can identify the available capacity on a feeder and help customers and contractors make informed decisions on charging site development. All hosting capacity maps are hosted on the same platform with users going through the CLEAR check process to gain access to the maps on the PSEG Long Island website.[153]

3.3.2. Customer Engagement

The TE Team plans to expand its Customer Engagement efforts through five key initiatives that are critical to holistic outreach implementation and enhancing the customer experience, leading to increased EVSE deployment on Long Island.

[152] For additional information regarding the VDER tariff, please refer to **Section 4.2.1.3**. NYSERDA's VDER Value Stack provides information on the components of the VDER Value Stack and how to calculate compensation. (*See* **Appendix E** for URL address).
[153] Users wishing to access the hosting capacity map are required to submit a Hosting Capacity Map Access Request form to PSEG Long Island and pass a CLEAR check (a simplified background check). Once the process is completed, an email notification will be sent with credentials and instructions.

Figure 3-8. Five Strategic Initiatives for Enhanced Customer Experience

3.3.2.1. Customer Insights

Progress to Date

To better understand the customer experience and evaluate improvement opportunities within PSEG Long Island's EV programs, the TE Team conducted a Customer Journey Mapping exercise in 2024. The TE Team collaborated closely with Customer Intelligence in cross-functional teamwork sessions to assess the current state of the commercial and residential customer journeys across all programs and define specific customer personas – semi-fictional characters that represent a user type or a group of people with similar traits – to help decision-makers prioritize the experience of target customers. The TE Team reviewed customer lifecycle stages for each persona, starting with customers learning about and understanding PSEG Long Island's programs all the way through enrollment, customer retention, and becoming a program advocate. The TE Team used the outlined stages and perspectives to map out the customer's experience. Based on the results, the TE Team identified key improvement areas as outlined below:

- Modify the application process to make it more user-friendly and easier to follow
- Increase utilization of both internal channels (such as Infoline) and external partnerships (including Clean Energy Hub and other external stakeholder groups) while identify synergies to avoid messaging redundancy
- Improve process and content consistency across PSEG Long Island's customer communication channels through coordinated planning and design
- Increase access to PSEG Long Island's EV marketing materials, such as brochures, flyers, email campaigns, etc.

PSEG Long Island addressed these pain points by expanding the utilization of marketing channels and targeted messaging, updating its EV Program webpages to enhance customer interactions, and streamlining the program application process. PSEG Long Island will also continue to research and understand external communication channels and what type of information and materials are already available to customers and develop resources that deliver targeted customer education where needed.

Outlook Through 2030

The TE Team plans to continue expanding its understanding of customer needs and market environment beyond 2025 by collecting additional data-driven insights to inform future customer engagement efforts. These insights will be captured through mechanisms, such as vendor tools that can provide data on existing commercial customers' participation based on their location (ex. DAC status). This will allow the TE Team to better understand the current landscape of customer participation and key customer segments. A particular focus is on increasing program participation among customers located in DACs as well as Multi-Unit Dwellings (MUDs). While portfolio-wide DAC investment is a priority, further efforts to target these customer groups will allow PSEG Long Island to target communities that are most likely to be positively impacted through program participation. Continuing to work collaboratively with other teams within PSEG Long Island will allow the TE Team to better understand available customer data and gather more insights – including customer type and geographic location. Insights can also be shared internally with Major Accounts and Business First teams to further drive partnership and engagement efforts.

The TE Team plans to utilize customer insights to better understand the Make-Ready program participation from application through incentive disbursement. Understanding these insights will allow the TE Team to manage customer expectations as well as further increase transparency.

To inform future marketing plans, the TE Team is also working with local coalitions such as Drive Electric Long Island to understand the market share of EVs on Long Island – with a particular focus on DACs and other valuable insight. Using additional data-driven insights to further tailor marketing efforts will enable the team to develop new marketing collateral and reach specific customer segments, further addressing pain-points identified through Customer Journey Mapping and customer feedback. The TE Team plans to continue to evolve EV program webpages by adding new marketing collateral and self-service materials.

3.3.2.2. Mass Marketing

Progress to Date

PSEG Long Island has developed a targeted customer engagement strategy to facilitate EV program participation, which is revisited and refreshed on an annual basis and incorporates mass marketing and direct customer outreach efforts.

Figure 3-9. Customer Journey findings behind EV marketing planning

The TE and Utility Marketing teams continue to work collaboratively to develop and execute on comprehensive marketing plans that expand the reach of education and outreach efforts. To do so, the teams work closely to utilize a variety of messaging, outreach channels, and marketing campaigns through owned, earned, and paid media. In 2025, the TE Team has committed to attending more than 10 events (combination of in-person and webinars) and hosting 4 roundtables to establish partnerships, distribute outreach materials, and provide program-specific information to contractors, fleet, and business customers. Through these, the Team will collect valuable insight and feedback to consider for future program improvement opportunities. The marketing campaign strategy utilizes a multi-channel approach to reach customers regardless of their engagement with a particular media type and includes efforts like communication blasts and social media marketing to promote EV programs during pertinent dates, such as Earth Month and National Drive Electric Month. Aligning efforts with industry and media attention as well as paid search ads allows PSEG Long Island to capitalize on customer interest.

Through outreach efforts, the TE Team found that the EV website is often the first resource for contractors and customers seeking program information, which further confirmed the necessity and value of implementing website updates. The TE Team conducted a benchmarking exercise and analyzed the best practices to identify enhancement opportunities. All 15 EV webpages were updated to include educational information on EVs, with tailored webpages for different customer segments. To further drive website engagement, PSEG Long Island launched paid search engine marketing (SEM) efforts, which led to a dramatic increase in website traffic. PSEG Long Island will continue to assess performance, optimize strategies, and determine the continued investment in SEM.

Outlook Through 2030

The TE and Utility Marketing teams will collaborate on creating videos that will provide customers with high-level introductory information about programs to facilitate decision-making. These videos, along with other promotional materials, will continue to be utilized in engagement efforts through in-person events and digital outreach. To further enhance customer experience with the website, PSEG Long Island also plans to add relevant marketing collateral, enabling customers to access promotional and educational materials via self-service, and increasing the reach of program outreach efforts while ensuring customers receive the right messaging. Utility Marketing will also leverage an existing partnership with Newsday to feature Transportation Electrification programs throughout the year.

3.3.2.3. Direct Customer Marketing

Progress to Date

As part of the overall EV program marketing plan, PSEG Long Island identified key customer segments to reach a more targeted audience through program-specific outreach efforts, including regular email and newsletter communications. These segments include residential customers – with a particular focus on DAC/LMI residential customers – for the Residential Charger Rebate Program outreach. For the EV Make Ready program, direct customer outreach has focused on contractors and developers, multi-family customers, major commercial accounts, and small-to-medium businesses.

Targeted outreach allows PSEG Long Island to reach customers via a blend of engagement channels that, in addition to email and newsletter communications, include bill inserts / onserts, direct mail and print newsletters, as well as hyper-targeted digital advertisements. For commercial customers, the TE Team works closely with internal partners to directly educate customers on available programs via ongoing account-level engagement. Marketing collateral can serve similar purposes when used as a leave-behind for target commercial customers that have the space to install EV charging.

Outlook Through 2030

Working with Utility Marketing, the TE Team will continue to build out its portfolio of targeted marketing materials with case studies and testimonials, which will provide both segment and program-specific examples of successful projects, demonstrating to customers that programs can benefit a wide variety of customer types. It will allow the TE Team to strategically target specific customer segments.

Future iterations of PSEG Long Island's EV Program marketing plan will continue to incorporate direct email marketing and newsletter efforts to reach target customer audiences to further raise customer awareness of the programs and drive program participation. To continuously improve outreach and targeting, PSEG Long Island will further tailor its direct marketing efforts based on available customer data, including from other U2.0 programs. This will allow the team to drill down to more targeted customer segments through the use of personalized and direct emails, geofencing, and targeting high-propensity customers.

The TE and Utility Marketing teams will leverage lessons learned from EE program outreach and implement successful tactics for residential program direct customer outreach efforts, including bill inserts and door hangers within DACs, specifically those with higher EV populations. The TE Team will also continue to utilize existing channels, such as email marketing, with an increased emphasis on higher incentive amounts for DACs. The teams will also evaluate opportunities to utilize newsletters – such as newsletters that PSEG Long Island sends out to REAP and HAP customers – to reach more low- and moderate-income

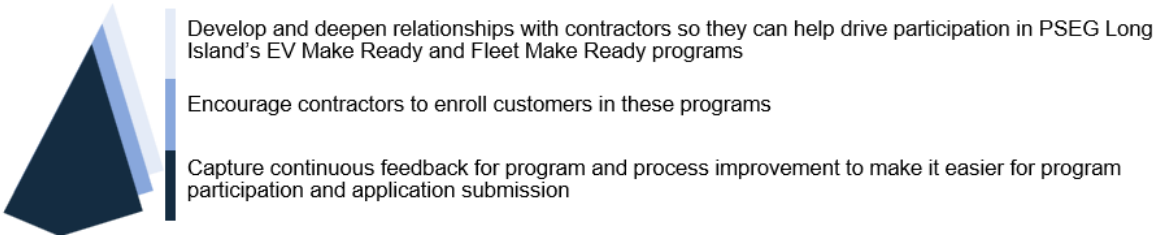
customers and provide targeted information about programs and incentives available to them.

3.3.2.4. Contractor Engagement

Progress to Date

Contractors play a crucial role in expanding the TE Team's outreach efforts by educating their network of customers about the availability and benefits of PSEG Long Island's EV Programs.

Figure 3-10. Contractor Outreach Program Objectives



The Contractor Outreach Program leveraged three main methods throughout 2024 and 2025 to achieve the goals:

- Identify Point(s) of Contact and List of Contractors
- Determine Communication Medium
- Develop Outreach Materials

Identify Point(s) of Contact and List of Contractors

The TE Team established a central outreach database to house information on contractors and their associated points of contact, to be used as a foundational resource for all contractor communication and outreach efforts. This database includes contractors with historic working relationships, additional contractors identified through existing channels, and those working in EE programs interested in entering the EV space. The TE Team utilized the Joint Utilities Contractor List as a way to get more contractors to participate in its EV programs.

Determine Communication Mediums

After compiling the database of potential contractors, the TE Team began outreach to determine the best medium of communication. Initial outreach included an introductory email with an outline of PSEG Long Island's EV programs, available resources, and a schedule of upcoming informational events hosted by the Team. Contractors who responded were earmarked for future communications, while those who did not were included in informational

emails unless otherwise requested. To further engage the contractor population, the Team hosted a contractor roundtable to explain the program and address audience questions. A poll during the roundtable helped the Team to understand what marketing materials would best help contractors communicate PSEG Long Island's program benefits and enrollment instructions. The poll results informed tasks such as open-house webinars, semi-annual roundtables, annual in-person meetings, program newsletters, and training to keep contractors engaged and informed on program updates.

Develop Outreach Materials

As part of website enhancements, the Team created a contractor and developer webpage with clear participation guidelines, a list of events and office hours, and a dedicated toolkit with contractor-specific resources. A new application portal was created and linked to the website to streamline participation for approved partners. The TE Team identified the need for additional contractor-specific testimonial, which is a priority case study for 2025.

Outlook Through 2030

The TE Team will continue to conduct contractor outreach through established methods, while also implementing enhancements from lessons learned during outreach efforts. The TE Team plans to continue hosting weekly open-house webinars that have proven successful in disseminating program information to attendees and providing the opportunity for contractors and customers to engage in Q&As that may answer questions preemptively. The TE Team ensures EV Make Ready and Fleet Program representatives attend each webinar to address customer and contractor questions across programs. Internally, these webinars provide the Team with opportunities to generate leads with developers and hear regular feedback for potential program enhancement considerations.

The TE Team will continue to leverage roundtables as an opportunity to collect and incorporate feedback into programs as well as share program announcements. Starting in 2025, PSEG Long Island is incorporating pre- and post-roundtable surveys to gauge levels of engagement and program understanding.

In addition to the website, mailers, virtual webinars and roundtables, the Team will continue to engage with Long Island contractors in-person to nurture relationships with the EV contractor network. The TE Team has previously been successful in engaging contractors through attending in-person events, such as Energize Long Island, which included informational sessions and roundtables. The TE Team will continue building out its contractor network via additional contractor outreach – such as to the Joint Utilities contractor lists – and building partnerships between other stakeholder groups to provide regular program updates, such as the Clean Energy Hub.

3.3.2.4 Stakeholder Partnerships

Progress to Date

Collaboration with other PSEG Long Island business units has been a critical component of successful program implementation and positive customer experience. Multiple business units have supported the stakeholder partnership planning and implementation efforts to communicate to customers the benefits of transportation electrification program participation.

The TE Team developed a stakeholder engagement plan to build partnerships with key external stakeholder groups that include car dealerships, trade organizations, nonprofits, municipalities, and educational institutions. The TE Team developed a list of key stakeholder organizations to help in planning effective engagement with these organizations.

Much of the engagement with stakeholder partners has focused on event attendance to support these organizations in their outreach efforts while reaching and educating new stakeholder groups. PSEG Long Island also continued to build partnerships with nonprofit groups, local community organizations as well as local governments and municipalities, serving as another avenue in its customer engagement efforts and DAC outreach. Engagement efforts spanned both large and small nonprofits, such as Clean Energy Hub and Drive Electric Long Island. Schools and colleges are another key group engaged by the stakeholder outreach efforts, particularly as they start their fleet electrification journeys directed by the New York State electric school bus mandate.

PSEG Long Island also engaged with car dealers to raise awareness of available programs and resources for both the dealerships and their customers, and nurture positive customer experience with EVs, as dealers often serve as the initial customer touchpoint on their EV journey. The Business First Team developed a list of dealerships with LDV and MHDV inventory and conducted initial outreach efforts, directing dealerships to the PSEG Long Island website and connecting to the TE Team. As part of this effort, the Team engaged with the Greater New York Automobile Dealers Association (GNYADA) to leverage their network and promote program information for dealerships and residential customers.

Outlook Through 2030

The TE Team will continue to collaborate with internal business units to develop and strengthen partnerships with key stakeholder groups, with a focus on those eligible for commercial programs, to help grow the EVSE infrastructure on Long Island. PSEG Long Island will continue to attend industry events and conduct targeted stakeholder outreach to share EV program information and updates. Efforts will also be extended to municipalities through collaboration with MACs and External Affairs to hold an EV 101 webinar.

The TE Team plans to further enhance the commercial customer experience by establishing a dedicated point of contact for MUDs to streamline customer engagement with the utility

and to increase program participation among MUD customers. This will help foster holistic support for this customer group, create deeper relationships with customers, and create more efficient and effective employee experience. The TE Team also plans to partner with Drive Electric LI to derive the density of EVs in DACs to inform targeted outreach efforts.

3.3.3. Internal Planning and Processes

During the 2024 Five-Year Planning process, the TE Team identified several efforts to streamline and enhance internal processes related to EVs, particularly based on the Team's collaboration with multiple internal business units on program implementation, customer engagement, and planning and analyses. The following efforts were identified in the Five-Year Plan and are currently underway to improve customer engagement and experience as well as to help ensure the critical grid and charging infrastructure needed to support the transition to EVs are well-planned and to ease EV adoption for all customers. This section provides updates on each of the priority areas identified in the Five-Year Plan.

3.3.3.1. Building the TE Team

The TE Team currently has six FTEs and aims to hire one additional FTE in 2025. The TE Team's responsibilities currently include managing analysis and reporting, program implementation and collaborating with the Marketing team on customer education and outreach. The new staff will focus on research and analytics, program development, and customer engagement and outreach to increase strategic initiatives and more effectively implement programs that fit customer needs and PSEG Long Island goals. The intention of Team expansion is to facilitate dedicated staff to each focus area, allow for a more expedient application and rebate processing, and increase general customer support. As program participation increases, the TE Team will assess the appropriate resource levels to support the programs they administer.

3.3.3.2. Internal Employee Trainings

In 2024, the TE Team established a comprehensive internal training approach that allowed it to strategically consider the informational needs of other PSEG Long Island business units and deliver targeted training tailored to those needs to enable these teams to handle associated customer interactions and complete any processes pertinent to their department. Following the initial internal training effort, the TE Team is developing a training governance plan that will establish a repeatable process for key training activities, create a structure for all future EV training efforts, outline roles and responsibilities, and identify key processes to ensure all training materials remain up-to-date and readily available to PSEG Long Island employees.

In 2025 and beyond, the TE Team will continue to offer internal training to teams within PSEG Long Island so that employees are educated on EVs to offer consistent customer experience. Following the procedures established in the training governance plan, the TE

Team will regularly review and refresh training materials to capture feedback, program updates and determine refresher training needs. The TE Team will also follow communication processes established as part of the governance plan to ensure all impacted teams have access to the most up-to-date training materials and receive timely refresher trainings. This includes the continued use of internal communication channels to raise awareness of EV programs and initiatives. The TE Team will also continue to utilize employee networks with key impacted stakeholders to share pertinent information in a timely manner and discuss defined topics around promotional content development and customer engagement initiatives. Continuing these education efforts will enable internal teams to effectively relay information to customers about the PSEG Long Island's EV offerings and create consistent, positive employee and customer experience.

3.3.3.3. Grid Impact Assessment

The TE Team will collaborate with the Distribution Planning Team to conduct a Grid Impact Assessment as a result of EV load, based on the insights identified in the LIPA Fleet Electrification Study. Results from this Assessment will help inform both Distribution Planning team and the TE Team on the magnitude of EV charging impacts, as well as provide insights into opportunities to support the increased charging needs. PSEG Long Island may leverage results from the LIPA Fleet Electrification Study and the subsequent Grid Impact Assessment into its programming by integrating findings for program planning. This effort is intended to support EV growth in the long term.

3.3.3.4. Streamline Customer Interaction

The TE Team receives questions from customers that range from how a customer can apply to one of the many EV programs offered, what to expect once on one of these programs, and general electric vehicle charging information. Several teams throughout PSEG Long Island such as Infoline, Customer Call Center, Business First Advocates, and the Major Account Consultants are engaged with the TE Team to streamline customer request processes and help respond to customer inquiries. In 2024, PSEG Long Island updated the interactive voice response (IVR) to include EV-related keywords to help better route customers, trained Call Center, and Infoline employees, updated the Customer Service Webform, as well as refreshed the EV website to enable customers with information about the various EV programs offered at PSEG Long Island.

The TE Team currently utilizes TRC Captures to process EV Make-Ready Program applications and is exploring additional enhancements to existing processes, including streamlining application processing, potentially reducing staff effort and customer wait time. The TE Team is also considering the use of a portal for the EV program applications that would automatically process and flag processing issues for timely investigation and resolution. This again could reduce staff involvement and decrease customer wait times. Overall, there are areas in the application process that when improved would reduce the

queue of customer applications and enhance the feedback loop to customers on the status of their applications.

PSEG Long Island will similarly research methods to streamline customer requests for their EV programs by automating routing and query responses through interactive voice response (IVR) tools and chatbots, as potential additional channels to reach PSEG Long Island. Improving IVR tools enables customers to be automatically routed to appropriate agents to reduce waiting times and customer call backs. IVR technology can be used to enable the system to extract intent and meaning from conversational sentences to accurately guide customers to the best-fit department or service center, allowing customers to receive faster answers. Rule-based response systems on websites or mobile apps enable autonomous responses to user queries. PSEG Long Island will research the utilization of rule-based, AI, or hybrid systems to efficiently and accurately route customers to the correct answer with minimal call center involvement.

3.3.3.5. Customer Relationship Management (CRM) Tools

There are many teams at PSEG Long Island that interact with customers, both residential and commercial, and the hand-off of conversation between teams internally at PSEG Long Island could be improved. Many of the internal teams at PSEG Long Island have their own business processes and their own ways of passing customer information to other teams. These individual business processes create inconsistencies internally, creating more work for staff, but also inconsistent messages and experience for the customer. PSEG Long Island will investigate the need for CRM tools to collect and maintain customer data to improve services and interactions. CRMs are designed to collect and store customer data to enhance customer experience and engagement by centralizing and consistently storing customer interaction information. This includes customer insight, sales and technical management, process integration, analytics, and metrics. Overall, use of CRM tools can aid in streamlining internal processes and collecting and managing customer interaction data to empower employees with a consolidated information repository on customer interactions to enhance customer support.

3.3.3.6. Customer Enablement Tools

PSEG Long Island currently promotes three customer-facing tools for residential customers, fleet customers, and contractors. These are:

1. **Residential Electric Vehicle Calculator:** Offered through the NYSERDA website and provides side-by-side comparisons of electric vehicle models including the vehicle range, price after incentives, and other specifications, as well as a summary of expected fuel savings, cost savings, and emissions compared to using a gas-powered vehicle for the selected model. The calculator provides recommendations for EV charging equipment and when to charge for optimal savings.
2. **Fleet Advisory Tool:** Fleet customers are able to input specific information regarding their fleet characteristics (size, vehicle type, usage, charging behavior, etc.) into the tool to yield personalized, self-service information on available EV options, the best time to charge, rate and eligible program recommendations, potential bill impact and cost savings, and GHG reductions.
3. **Partner Portal:** Contractors can submit their application directly to the same online portal the TE Team uses to track and manage Make-Ready applications, upload project details, check the status of their projects, and receive direct messages from the TE Team regarding those projects. The platform also serves as the data repository and project interface between PSEG Long Island and contractor/project owner.

PSEG Long Island will continue to investigate the need for additional customer enablement tools that empower customers to take more direct action by utilizing personalized content. Customers would be better equipped with knowledge, tools, and resources to best leverage EV programs. This could include expanding the contractor portal to include program-specific resources to accelerate the development process. For PSEG Long Island, customer enablement tools could make it easier for marketing to distribute customer-facing content. PSEG Long Island will evaluate the need for these tools moving forward.

3.3.4. 2030 Outlook Summary & Financial Impact

Figure 3-11 below summarizes PSEG Long Island's Transportation Electrification 2030 Outlook categorized by the three strategic pillars discussed above (Customer Programs & Rates, Customer Engagement, Internal Planning & Processes).

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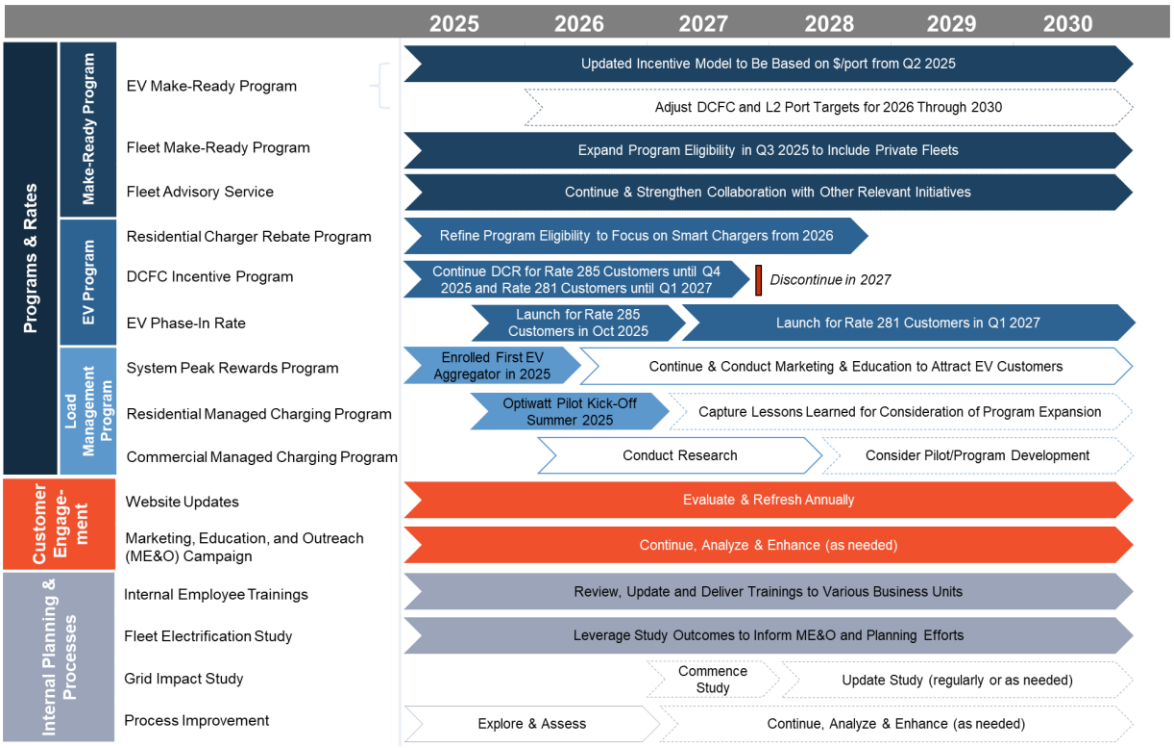
Figure 3-11. Transportation Electrification – 2030 Outlook[154]



As part of the five-year planning process, PSEG Long Island identified several programs and initiatives to further the support of EV adoption. The TE Team originally forecasted a total budget of approximately $230 million to support proposed expansion and new initiatives from 2025 to 2030. In 2025, the TE Team updated the forecast in line with the aforementioned budget considerations. The TE Team now anticipates a total budget of approximately $110 million over the next five years largely due to reduction in Make-Ready Program budget based on updated incentive structure and port forecast. **Table 3-28** shows the forecasted budget to support these initiatives.

For the EV Make-Ready Program, the proposed budget will be around $74 million to support approximately 10,000 L2 and 1,000 DCFC ports from 2026 to 2030. For the Fleet Make-Ready Program, the proposed budget will be around $20 million to enable fleet electrification across private and public fleet customers through 2030. The budget forecast also includes supporting the potential implementation of active managed charging pilot and/or programs as well as engagement and outreach efforts through 2030.

[154] This summary represents PSEG Long Island's current vision for transportation electrification strategic initiatives and is subject to change.

Table 3-28. Transportation Electrification Forecasted Budget – 2030 Outlook

Category	2026[155] ($M)	2027[156] ($M)	2028 ($M)	2029 ($M)	2030 ($M)	Total ($M)
	Request	*Forecast*	*Forecast*	*Forecast*	*Forecast*	
Capital	~6.4	~3.4	~3.5	~4.1	~4.7	**~22.1**
O&M	~13.3	~15.8	~17.2	~19.7	~22.1	**~88.0**
Total	**~19.7**	**~19.1**	**~20.8**	**~23.8**	**~26.8**	**~110.1**

Programs and Rates

EV Make-Ready Program

PSEG Long Island adjusted port targets based on its updated forecast of EVs and LDVs on the road. Based on market trends discussed in **Section 3.2.1**, PSEG Long Island increased targets for DCFC ports and lowered this figure for L2 ports. This results in 10,206 L2 and 1,033 DCFC port targets by 2030. **Table 3-29** shows the forecasted L2 and DCFC port targets.

Table 3-29. EV Make-Ready Program Actual and Estimated Energized Ports by Type (2025 Update)[157]

Port Type	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	Total
	Actual	*Actual*	*Actual*	*Actual*	*Forecast*	*Forecast*	*Forecast*	*Forecast*	*Forecast*	*Forecast*	*Forecast*	
L2	0	81	231	405	789	900	1,100	1,300	1,500	1,800	2,100	**10,206**
DCFC	48	100	10	70	89	100	117	122	124	125	128	**1,033**
Total	**48**	**181**	**241**	**475**	**878**	**1,000**	**1,217**	**1,422**	**1,624**	**1,925**	**2,228**	**11,239**

From 2026 to 2030, the total budget resulting from the updated port targets and incentive structure is approximately $74 million. As seen in **Table 3-30**, capital expenses and O&M expenses are both forecasted to grow steadily along with the steady increase of port targets.

[155] The 2030 Outlook budget forecast does not take into account the portion attributed to capital expenditure for Utility 2.0 PMO Support on the TE Programs.
[156] The 2030 Outlook Forecast includes forecasted budget for Managed Charging pilots/programs in 2027 and beyond which is not included in 2025 Utility 2.0 budget reconciliation for 2027.
[157] Although the program is intended to end in 2030, some projects may spillover into 2031.

Table 3-30. EV Make-Ready Program Forecasted Budget

Category	2026[158] ($M)	2027 ($M)	2028 ($M)	2029 ($M)	2030 ($M)	Total ($M)
	Request	*Forecast*	*Forecast*	*Forecast*	*Forecast*	
Capital	~0.9	~1.2	~1.3	~1.3	~1.3	**~6.1**
O&M	~11.0	~12.3	~13.5	~14.6	~$16.0	**~67.6**
Total	**~12.0**	**~13.5**	**~14.8**	**~16.0**	**~17.4**	**~73.7**

Fleet Make-Ready Program

PSEG Long Island will expand program eligibility to include private fleets from July 2025 to enable fleet electrification and further support the deployment of charging infrastructure for both public and private fleets. **Table 3-31** reflects these program updates. Based on program activity to date, PSEG Long Island anticipates a lower number of projects compared to the original forecast.

Table 3-31. Fleet Make-Ready Program Estimated Pre-Approved Projects[159]

Fleet Project Type	2025	2026	2027	2028	2029	2030	Total
	Forecast	*Forecast*	*Forecast*	*Forecast*	*Forecast*	*Forecast*	*Forecast*
Public Fleets	1	3	4	5	7	9	**29**
Public Transportation	3	6	8	10	12	15	**54**
Private Fleets	11	11	13	15	18	19	**87**
Total	**15**	**20**	**25**	**30**	**37**	**43**	**170**

The budget for the Fleet Make-Ready Program is forecasted to gradually increase through 2030 to support the development of new EVSE infrastructure for both public and private fleet customers. The Fleet Make-Ready Program budget totals around $20 million from 2026 to 2030 as depicted in **Table 3-32**.

Table 3-32. Fleet Make-Ready Program Forecasted Budget

Category	2026 ($M)	2027 ($M)	2028 ($M)	2029 ($M)	2030 ($M)	Total ($M)
	Request	*Forecast*	*Forecast*	*Forecast*	*Forecast*	
Capital	~1.5	~1.9	~2.3	~2.8	~3.4	**~11.7**
O&M	~1.3	~1.5	~1.7	~2.0	~2.3	**~8.8**
Total	**~2.7**	**~3.4**	**~4.0**	**~4.8**	**~5.6**	**~20.5**

[158] The 2030 Outlook budget forecast does not take into account the portion attributed to capital expenditure for Utility 2.0 PMO Support on the TE Programs.
[159] Assumes 4 Level 2 ports and 4 DCFC ports per project.

Managed Charging

PSEG Long Island developed a five-year managed charging roadmap for both residential and commercial customers to encourage charging behavior that benefits the grid and the environment, while reducing energy bill impacts for commercial and residential customers.

In 2025, PSEG Long Island is implementing an active residential managed charging pilot in partnership with Optiwatt, which is funded through a NYSERDA Program Opportunity Notice (PON) grant and does not require funds through the Utility 2.0 program. Following the Optiwatt pilot, PSEG Long Island will analyze data collected and lessons learned to expand the pilot into a full program in the following years. Similarly, PSEG Long Island will utilize lessons learned from EV Phase-In Rate and the DLM Program[160] to investigate the need for an active commercial managed charging pilot/program in the future.

Table 3-33 outlines the estimated budget for potential residential and commercial managed charging pilot/program and includes incentives and administrative costs. The forecasted budget is estimated based on benchmarking against existing pilots and programs. PSEG Long Island will also explore whether the DLM Program could be expanded to consider other active EV Managed Charging offerings such as dynamic managed charging.

Table 3-33. Managed Charging Forecasted Budget

Category	2025 ($M)	2026 ($M)	2027 ($M)	2028 ($M)	2029 ($M)	2030 ($M)	Total ($M)
	Planned	*Request*	*Forecast*	*Forecast*	*Forecast*	*Forecast*	
Capital	–	–	–	–	–	–	–
O&M	–	–	~0.9	~1.1	~2.7	~3.3	**~8.0**
Total	**–**	**–**	**~0.9**	**~1.1**	**~2.7**	**~3.3**	**~8.0**

Customer Engagement

The Marketing, Education, and Outreach budget is forecasted to be $250,000 annually for the Make-Ready and EV Programs to continue the expanded outreach and engagement efforts as established in 2024 and 2025. PSEG Long Island may consider further increasing the marketing budget based on program performance as the Make-Ready programs are expected to grow through 2030.

The total budget from 2026 to 2030 is forecasted to be $1.25 million as shown in **Table 3-34**.

[160] Funded through power supply charge.

Table 3-34. Engagement and Outreach Forecasted Budget

Category	2026 ($M)	2027 ($M)	2028 ($M)	2029 ($M)	2030 ($M)	Total ($M)
	Request	*Forecast*	*Forecast*	*Forecast*	*Forecast*	
Capital	–	–	–	–	–	**–**
O&M	0.25	0.25	0.25	0.25	0.25	**1.25**
Total	**0.25**	**0.25**	**0.25**	**0.25**	**0.25**	**1.25**

Internal Planning & Processes

The TE Team identified several efforts to streamline and enhance internal planning and processes to increase customer interaction and improve their overall experience. Such efforts include FTE time to streamline customer request processes, and tools to help manage and enable customer relationship and engagement. There may be software or licensing costs associated with these improvements in the future.

Other Efforts

Over the next five years, PSEG Long Island will continue to offer several other programs, rates, and initiatives. The EV Program will continue to offer Demand Charge Rebate in 2025 and 2026, until EV Phase-In Rate becomes available to customers. The Residential Charger Rebate Program's program budget will decrease due to the reduced number of incentives and rebates issued. **Table 3-35** shows the budget for these programs.

Table 3-35. Forecasted Budget for Other Activities

Category	2026 ($M)	2027 ($M)	2028 ($M)	2029 ($M)	2030 ($M)	Total ($M)
	Request	*Forecast*	*Forecast*	*Forecast*	*Forecast*	
Capital[161]	~4.0	~0.3	–	–	–	**~4.3**
O&M[162]	~0.7	~0.8	~0.6	~0.2	~0.2	**~2.5**
Total	**~4.7**	**~1.1**	**~0.6**	**~0.2**	**~0.2**	**~6.8**

[161] EV Phase-In Rate development.
[162] Demand Charge Rebate, Residential Charger Rebate, admin/labor costs.

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4. Demand Flexibility & Distributed Energy Resources

2025 Utility 2.0 Annual Plan Filing and Building Efficiency & Electrification Plan

4. Demand Flexibility & Distributed Energy Resources

Demand flexibility and Distributed Energy Resources (DERs) offer significant advantages to New York State. They enable consumers to manage their energy usage more effectively, lowering their utility costs and contributing to reduced greenhouse gas emissions. The integration of DERs, such as solar panels, energy storage systems (ESS), and smart grid technologies, support the state's ambitious CLCPA goals and foster the development of a decentralized and community-based energy model.

To achieve the GHG reduction goals by 2050 set forth in the New York State Climate Act, the state has committed to:

- 10,000 MW of distributed solar energy by 2030[163]
- 6,000 MW of energy storage by 2030
- 100% zero-emission electricity by 2040
- 9,000 MW of offshore wind by 2035

These targets are supported by innovative initiatives such as PSEG Long Island's Dynamic Load Management (DLM) programs and the Utility 2.0 Connected Buildings Pilot. Additionally, the proposal for the Utility 2.0 Non-Wires Alternative (NWA) Retail Energy Storage Evaluation and the addition of EV customer participation under the DLM program will further enable PSEG Long Island to manage and reduce energy consumption during peak periods. These efforts are essential for meeting increasing energy demands while maintaining the reliability and resiliency of the state's energy infrastructure.

This chapter outlines the strategic initiatives described above which are designed to increase demand flexibility and integrate DERs on the LIPA distribution system.

[163] Renewable Energy – Powering New York State. (*See* **Appendix E** for URL address).

Chapter Contents

4.1. 2025 Goal Achievement and 2030 Projections

4.1.1. Energy Storage

Energy storage enables a variety of advanced grid technologies and is critical to the success of New York State's Climate Act goals. Energy storage helps integrate clean energy onto the grid, increases system efficiency, and increases reliability where energy storage is used in place of traditional T&D investments. New York State has some of the most ambitious energy and climate goals in the country and energy storage will play a crucial role in meeting these goals. In 2022, Governor Kathy Hochul issued a landmark announcement calling for New York to double its energy storage target from 3,000 MW to 6,000 MW by 2030.

According to the DPS's Annual "State of Storage in New York" Report published in April 2025, there is currently over 1,400 MW of storage in service in New York.[164] New York's 6 GW Energy Storage Roadmap, which was developed by NYSERDA and DPS in March 2024, lays out an indicative procurement schedule to achieve additional storage capacity of 4,700 MW by 2030, including 3,000 MW of utility-scale bulk storage, 1,500 MW of retail and 200 MW of residential.[165] NYSERDA has been authorized by the PSC to administer energy storage programs to meet the statewide goal.

By Q3 2025, NYSERDA expects to release the first of a series of annual RFPs for utility-scale storage projects. Successful bidders will be awarded contracts for sale of indexed storage credits (ISCs) to NYSERDA, which provides a supplemental revenue stream in addition to market-based sales of capacity, energy, and ancillary services. NYSERDA's retail storage incentive is currently active in Con Edison's service territory, but retail storage incentives are not currently available for the Long Island region. Residential customers of PSEG Long Island are eligible for the Long Island Single-Family Residential Storage Incentive which was launched in in July 2019 and is currently funded through the Regional

[164] DPS: State of Storage in New York. (*See* **Appendix E** for URL address).
[165] DPS and NYSERDA: New York's 6 GW Energy Storage Roadmap. (*See* **Appendix E** for URL address).

Greenhouse Gas Initiative. Rules and requirements associated with this incentive are governed by the NY-Sun Upstate + Long Island Program Manual.[166]

PSEG Long Island supports the goals of the Climate Act, and the recommendations set forth in the New York 6 GW Energy Storage Roadmap through retail rate actions and utility programs, direct procurement approaches through NWAs, market acceleration incentive, and "clean peak" actions. PSEG Long Island's initiatives (inside and outside of the Utility 2.0 Program) address different energy storage segments: residential and commercial, retail, and utility-scale.

2025 CLCPA Goal Achievement

At present, PSEG Long Island has a portfolio of energy storage initiatives that directly support the statewide target. In 2021, PSEG Long Island issued an RFP for Bulk Energy Storage, with contract approval pending for two storage facilities totaling 129 MW. In 2017, two 5 MW battery energy storage systems were connected to the LIPA grid on the South Fork of eastern Long Island, supported by offtake contracts with LIPA. As of March 2025, approximately 35 MW of customer-owned BTM energy storage has been connected to the system from installed retail (~12 MW) and residential (~23 MW) applications.

2030 CLCPA Goal Projections

By the end of 2030, PSEG Long Island will need to bridge the gap between the current achievement of 45 MW and PSEG Long Island's portion of the 2030 energy storage CLCPA Goal. Most of the gap is expected to be filled by utility-scale storage, with smaller contributions coming from steady growth in local retail and residential storage installations supported by PSEG Long Island initiatives, as described below. LIPA can either build or procure its own bulk energy storage projects on Long Island or contract with NYSERDA to purchase a share of the bulk Index Storage Credits (ISCs) to be procured by NYSERDA.

4.1.2. Solar PV

New York State recognizes that the advancement of zero-emission energy resources is critical to delivering safe and reliable electricity to customers while reducing vulnerability to fossil fuel disruptions and energy price volatility. The State's commitment to enabling zero-emission energy resources includes over $35 billion towards 120 large-scale renewable and transmission projects across New York and $1.8 billion allocated to scaling solar generation.[167]

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[166] New York-Sun Upstate + Long Island Program Manual. (*See* **Appendix E** for URL address).
[167] New York State Climate Action Council. Scoping Plan – Full Report December 2022. (*See* **Appendix E** for URL address).

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PSEG Long Island customers are increasingly seeking access to rooftop solar and solar energy as a generation resource. In the past, the Utility 2.0 portfolio has proposed, funded, and operationalized a number of initiatives that enable the growth of solar and other DERs on the LIPA distribution system. These projects include the DER Visibility Platform, Increasing Hosting Capacity Study, Hosting Capacity Maps, and Behind-the-meter (BTM) Storage Plus Solar programs.

2025 CLCPA Goal Achievement

New York State's 2025 statewide goal for distributed solar generation is 6,000 MW DC[168]. PSEG Long Island's share of the statewide Solar PV 2025 Goal is 750 MW DC, which is determined based on PSEG Long Island's load share ratio. PSEG Long Island reached its 2025 Solar PV goal in 2023 and presently has 1,150 MW DC of distributed solar on its grid.

2030 CLCPA Goal Projections

New York State's 2030 statewide goal for solar generation is 10,000 MW DC[169] and PSEG Long Island's share of this goal is 1,310 MW DC based on PSEG Long Island's load share ratio. To date, PSEG Long Island has made great progress towards its share of the 2030 goal for solar generation, achieving 1,150 MW DC. PSEG Long Island expects to achieve its 2030 distributed solar PV goal before the end of 2030, likely in 2027 or 2028.

4.2. Demand Flexibility Initiatives & Distributed Energy Resources Programs

4.2.1. Non-Wires Alternative (NWA) Retail Energy Storage Evaluation

Type	Evaluation
2025 Status	Proposed
Start Year	2026
2026 Funding Request	$100,000
Description and Justification	PSEG Long Island proposes to conduct an evaluation in 2026 for an NWA Retail Energy Storage System (ESS) to increase load capacity on a specific circuit. This evaluation will identify potential location(s) where an ESS would defer distribution system upgrades and use load forecasts to analyze the impact to the identified circuit.

[168] New York State Climate Action Council. Scoping Plan – Full Report December 2022. (*See* **Appendix E** for URL address).
[169] New York State Climate Action Council. Scoping Plan – Full Report December 2022. (*See* **Appendix E** for URL address).

This year, PSEG Long Island and NYS regulators re-evaluated the retail energy storage benefit-cost analyses (BCAs) and use cases that were presented in the 2024 Utility 2.0 Energy Storage Five-Year Plan. The result of this assessment has encouraged PSEG Long Island to further explore the applicability of a non-wires alternative (NWA) retail energy storage system on Long Island (*see* **Section 4.2.1.3** for more information on updates made to the BCA).

The NWA Retail Energy Storage Evaluation (referred to as the evaluation) proposes to examine LIPA's distribution system to identify potential circuit locations capable of supporting the integration of a 5 MW, 4-hour charge/discharge duration (20 MWh)[170] front-of-the-meter (FTM) energy storage system (ESS). If a feasible circuit location can be identified through this evaluation, then an RFP will be issued to interested vendors. Vendor selection and issuance of utility incentives are outside of the scope of this evaluation and will occur as a part of the full-scale project once location(s) have been identified and vendor proposals have been received and reviewed.

Objectives and Success Criteria

The objective of this evaluation is to determine potential location(s) where a 5 MW FTM battery could provide capacity and relieve load constraints on a circuit location where there are tangible benefits for the Utility, vendor, and society. As part of the evaluation, PSEG Long Island's Transmission and Distribution (T&D) team will utilize the most current T&D 10-year plan to identify projects which can be deferred with energy storage.

The aim of the evaluation is to enhance energy storage capacity on Long Island which is aligned with CLCPA Goals. Additionally, it seeks to provide insights for potential future applications for retail energy storage projects on Long Island. The success criteria of this evaluation will be dependent on whether a viable location and circuit can be identified and if the re-forecasted BCA yields favorable results. Successful results would prompt the issuance of an RFP and the selection of a vendor to install the ESS (Stage 3 – Post-Evaluation Activities).

4.2.1.1. Implementation Plan

The stages described below outline the implementation plan for the evaluation, which include 1. Circuit Identification and Analysis; 2. RFP Administration; 3. Post-Evaluation Activities:

[170] Depending on the NWA location and identified circuit(s), there may be a need for a larger than a 4-hour duration battery system.

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Stage 1. Circuit Identification and Analysis

PSEG Long Island is currently in the process of updating the Marginal Cost of Service (MCOS) Study, which is expected to be completed in July 2025. Depending on the outcome of this Study and its impact on the VDER tariff, the BCA results could be impacted. Prior to the issuance of the RFP in 2026 (Stage 2), PSEG Long Island will re-evaluate the BCA, taking into consideration any changes resulting from the MCOS Study and VDER Analysis, along with any potential changes to federal tax law. In the event that the BCA improves substantially, consideration will be given to possibly more than one retail storage project.

The circuit identification process will be completed by the PSEG Long Island T&D team utilizing projects from the T&D 10-year plan. An internal NWA screening tool will be utilized to identify potential candidates for retail energy storage application on the system. If potential viable candidates for battery installation are identified, the BCA model will be re-forecasted with location-specific inputs and costs. Circuit identification and analysis is scheduled for completion in 2026, and will be conducted internally, requiring no requests for additional funding. However, identifying a feasible location through this process is not guaranteed. The outcome of this process will determine whether the evaluation proceeds to Stage 2. Through the quarterly reporting process to the DPS, a report out on outcomes will be prepared to summarize activities for the evaluation.

Stage 2. RFP Administration

If a feasible circuit is identified for a 5 MW ESS, the PSEG Long Island Power Resources and Contract Management team, with the support of a third-party consultant, will develop an RFP to field for potential vendors. The RFP will include expectations for the selected vendor to finance the costs of the ESS, which include land leasing/acquisition, interconnection, ESS installation, and ESS maintenance costs. The RFP will be technology agnostic and not specify a battery technology requirement (*e.g.,* flow vs. lithium-ion) to allow vendors to propose a solution that is most cost-effective for them. The all-in estimated cost for a third-party consultant to support the administration and issuance of the RFP is $100,000.

Stage 3. Post-Evaluation Activities

As noted above, the expansion of the evaluation into a full-scale Utility 2.0 Project is contingent on the identification of one or more viable circuits and issuance of the RFP. If these stages prove successful, the full-scale Utility 2.0 Project will be proposed in next year's Utility 2.0 Plan with anticipated cost support for utility incentives and any additional contract administration support.

If the project is approved, PSEG Long Island will then select and undergo the contracting process with the vendor. The successful vendor will then be required to submit the project

into PSEG Long Island's small generator interconnection process for evaluation to determine the resulting interconnection costs and impacts of integrating the ESS to LIPA's distribution system.[171] PSEG Long Island will pay out utility incentives to the vendor during the installation year of the ESS, and the vendor will receive value for distributed energy resources (VDER) "value stack" compensation for energy exports each year once the ESS becomes operational. The VDER compensation framework is described in **Section 4.2.1.3** below in greater detail.

Scope

The scope of this evaluation is to assess constrained locations (with proposed projects) on LIPA's distribution system to determine location(s) where a vendor could build a 5 MW ESS to defer a distribution system upgrade. These location-specific factors will be re-forecasted in the BCA model to determine whether the specific location is cost-effective for the pursuit. PSEG Long Island will confirm that the proposed ESS is beneficial to society and to potential vendors. As part of the evaluation, PSEG Long Island will identify the magnitude of utility incentive required for the modeled ESS use case to be cost beneficial to the vendor. The results from the BCA will be used to determine if PSEG Long Island will move forward with the next stage of the evaluation.

There is no guarantee that a feasible circuit location will be identified through this process. However, if the success criteria of the evaluation are met PSEG Long Island will move forward with issuing an RFP to field potential vendors for this system. The process of administering and issuing an RFP will require funding for third-party support, which will be requested for 2026 (*see* **Section 4.2.1.2**).

In the 2026 Utility 2.0 Plan, a full-scale Utility 2.0 NWA Retail Energy Storage Project will be proposed for 2027 pending successful implementation and vendor solicitation in Stages 1 and 2 above. The project proposal will include a funding request for the utility incentive to be provided to the vendor. The total cost of the utility incentive to the utility is expected to be approximately $2 to $5 million. The exact value of the utility incentive may not be known until the RFP is complete and the vendor is selected. Thus, at the time of next year's Utility 2.0 Plan, a utility incentive order of magnitude funding request will be provided. If approved, PSEG Long Island will then undergo the contracting process with the selected vendor who will own and operate the battery at the identified circuit location. Any additional support required by PSEG Long Island will be determined once the vendor has been selected and the project has been approved.

[171] PSEG Long Island's Small Generator Interconnection Process. (*See* **Footnote Citations and** for URL address).

Schedule

The projected schedule for the NWA Retail Energy Storage Evaluation is provided in **Table 4-1** below. The circuit identification and evaluation will be conducted in Q1 2026 as a part of annual T&D planning and development activities. The BCA will be reforecasted following this circuit identification. If a viable location is identified for the NWA Retail Energy Storage System, an RFP will be developed during Q3 and Q4. Additional support after the RFP is administered, such as the vendor selection and contract administration process, will occur through Q2 2027.

Table 4-1. Evaluation Schedule – NWA Retail Energy Storage Evaluation

Workstream	2026				2027	
	Q1	Q2	Q3	Q4	Q1	Q2
Circuit Identification and Analysis						
Identify circuit location						
Reforecast BCA Model						
RFP Development						
Utility issues RFP						
Bidders Respond to RFP						
Post-Evaluation Activities						
Select a vendor						
Contract administration support						

Risks and Mitigations

Table 4-2 identifies potential risks and associated mitigation strategies for the NWA Retail Energy Storage Evaluation.

Table 4-2. Risk and Mitigation Assessment – NWA Retail Energy Storage Evaluation

Category	Risk	Mitigation
Storage Moratoriums	Energy storage moratoriums in Long Island have been extended through 2025 for several townships and if they continue to be extended beyond 2026, this could pose a risk to the timeline of vendor acquisition and construction.	Moratoriums will be accounted for when considering locations for the ESS. There is no guarantee that an ESS moratorium will still be in place at the time of construction. Following selection of a viable circuit, PSEG Long Island and LIPA will engage early on with local authorities to work through perceived risks and strengthen safety measures.

Category	Risk	Mitigation
Circuit Queue Backlog	Customers already in the interconnection queue have priority for ESS. This backlog could pose a delay in the timeline of activities if the systems do not fit into the NWA use case PSEG Long Island is planning to procure.	During Stage 1 of the evaluation, the PSEG Long Island T&D team will evaluate the queue to review any active requests on identified circuit(s). Vendors would have a strong position to bid on the RFP based on their queue position.
Utility Cost Concerns	PSEG Long Island plans to pay an incentive to the vendor to augment ESS installation costs. Depending on budget considerations for future years, the estimated $2 to $5 million incentive could stress budget requirements for other Utility 2.0 projects.	PSEG Long Island may be able to leverage funding from sources outside of the Utility 2.0 Program to lessen the potential burden on other Utility 2.0 projects.

4.2.1.2. Funding Request

Table 4-3 displays the requested 2026 budget for the evaluation and projected 2027 spend for the full-scale project. PSEG Long Island requests $100,000 to conduct the evaluation in 2026 for third-party support to administer and issue the RFP to potential vendors.[172]

The utility incentive is estimated to be around $4 million ($200/kWh) based on industry standard energy storage incentives.[173] The actual incentive will be determined during the RFP process based on the location identified and the vendor bids proposed. The RFP will also specify if the selected location requires a power purchase agreement (PPA). The full project, including these incentives and any additional funding, will be proposed for 2027 in next year's Utility 2.0 Plan.

[172] Budgetary values presented in the tables below are rounded to the thousandths / hundredths decimal places.
[173] $4,000,000 ($200/kWh) is the estimated utility incentive that was used to model the BCA for this use case. The actual utility incentive will be determined during the RFP process in next year's evaluation to reflect vendor needs. The utility incentives will be paid out in one lump sum to the vendor during the ESS installation year.

Table 4-3. Capital and Operating Expense Budget, Actual and Forecast ($M)

Cost Item	Category	Sub-Category	Request ($M)	Projected (Not Requested) ($M)	Total ($M)
			2026	2027	
RFP Administration Support	**O&M**	Third-Party Support	0.10	–	0.10
Utility Incentives[174]	**O&M**	Customer Incentives	–	4.00	4.00
	Total		**0.10**	**4.00**	**4.10**

4.2.1.3. Project Justification

The purpose of the NWA storage evaluation is to identify the cost-effectiveness of a retail energy storage system on Long Island in alignment with NYS CLCPA Goals outlined in **Section 4.1.1**. PSEG Long Island intends to investigate the NWA storage use case to advance other possible applications for retail storage on Long Island. Although utility-scale storage systems will contribute to a larger share of the energy storage CLCPA goal, adoption of smaller systems, such as local retail storage installations, can supplement remaining gaps.

The integration of FTM retail energy storage has several advantages. It supports the grid by creating load capacity, thus improving the reliability of the electrical system. It also facilitates better integration of DERs, such as solar and wind, contributing to a reduction in carbon emissions. Moreover, charging the battery during off-peak hours can enhance grid efficiency and save the vendor money on their electricity bill by shifting charging times to when electricity demand and rates are lower, corresponding with state goals to reduce carbon emissions and alleviate strain on the grid as load demand grows.

Benefit Cost Analysis

PSEG Long Island worked with NYS regulators to re-evaluate the retail energy storage BCAs presented in the 2024 Utility 2.0 Energy Storage Five-Year Plan. Regulatory feedback prompted an updated use case for the BCA model described and presented in this year's Utility 2.0 Plan. The use case for this analysis focuses on an FTM 5 MW lithium-ion battery with a 4-hour charge/discharge duration (20 MWh) that would be installed in 2027 and energized in 2029, with an assumed lifetime of 20 years. The ownership and operation of the ESS is assumed to be conducted by a vendor rather than the Utility, and the model assumes

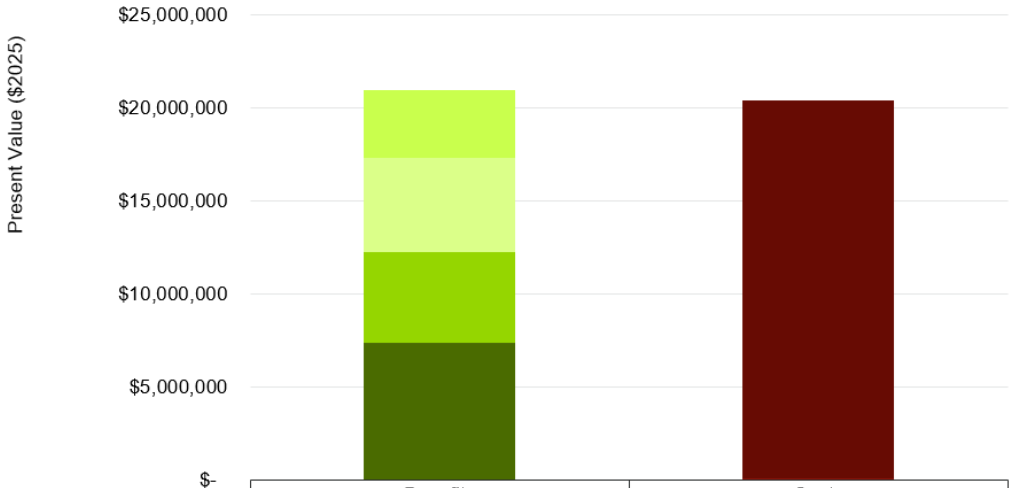
[174] This utility incentive cost item is not a part of the evaluation but rather reflects an estimate for the full-scale project that will be proposed in next year's Utility 2.0 Plan once a viable circuit is identified.

that the battery would be located on a locational system relief value (LSRV) zone and discharge during demand reduction value (DRV) hours to maximize benefits for the vendor.

This use case is based on multiple assumptions, including the assumption that this ESS would serve as an NWA, reasonably deferring the need for an estimated $9.3 million capital investment to upgrade a feeder on the distribution system for 7 years. The deferral length of 7 years was determined by the PSEG Long Island T&D team based on load forecasts from sample circuits on Long Island. The distribution deferral value was estimated based on the average of three prior projects for new feeder and feeder upgrades on Long Island. The T&D team determined that a 5 MW battery will not be able to defer capital transmission upgrade investments, thus no transmission deferral benefit for this battery system is modeled in the BCA.

The results from the BCA model, specifically the results from the Society Cost Test (SCT), are used to determine whether or not the modeled ESS project is economically justified to pursue. As described in the section above, the BCA model outputs resulted favorably, prompting the proposal of a further evaluation. As shown in **Figure 4-1**, the benefits to society are greater than the costs, resulting in an SCT of 1.03. The Utility Cost Test (UCT) and the Ratepayer Impact Measure (RIM) also indicate that the Retail Energy Storage System would be beneficial to the Utility and ratepayers. The only cost test less than 1.0 is the Participant Cost Test (PCT), which indicates that the project may not be profitable to the vendor. However, it is important to note that this use case is not modeled on a specific location (as this will be examined during next year's evaluation), which could change the results of the cost tests.

Figure 4-1. NWA Retail Energy Storage Present Value Benefits and Costs of SCT



	Benefits	Costs
Net Non-Energy Benefits	$3,638,340	$-
Avoided Energy (LBMP)	$5,035,143	$-
Avoided Generation Capacity Cost (AGCC)	$4,887,332	$-
Avoided Distribution Capacity Infrastructure	$7,367,562	$-
Participant DER Cost	$-	$20,286,308
Program Administration Costs	$-	$94,047
Total	$20,928,378	$20,380,355

The BCA model examines various detailed value streams related to energy storage as displayed in **Table 4-4** below. However, it is important to note that there are some benefits not represented in this table that are difficult to quantify and require new or novel measurement techniques. Examples for this specific BCA include environmental benefits, reliability benefits, and progress towards state goals. To leave these benefits unmeasured is equivalent to assigning them a value of zero in a BCA, resulting in lower BCA ratios, and reducing the likelihood that storage measures and programs are found to be cost-effective. The National Energy Screening Project's (NESP's) 2020 National Standards Practice Manual[175] describes approaches that can be integrated to account for these benefits.

For the purposes of this BCA, an alternative cost-effectiveness threshold was used to account for the benefits described above that are difficult to monetize. This method reduced the cost-effectiveness threshold from the standard 1.0 to 0.9. As a result, for this BCA model to be considered cost-effective, the SCT would need to be greater than 0.9 rather than 1.0. While the SCT for this model resulted to 1.03, the specific circuit location of the battery has not been determined, which may impact the benefit streams such as the Avoided Distribution

[175] National Energy Screening Project's (NESP's) 2020 National Standard Practice Manual provides a nation-wide framework for cost-effectiveness tests. (*See* **Appendix E** for URL address).

Capacity Infrastructure. In this case, the alternative threshold would be relevant in evaluating cost-effectiveness of this ESS use case.

Table 4-4. NWA Retail Energy Storage BCA Value Streams

#	Value Stream	SCT	UCT	RIM	PCT
1	Avoided Distribution Capacity Infrastructure	Benefit	Benefit	Benefit	N/A
2	Avoided Generation Capacity Cost (AGCC)	Benefit	Benefit	Benefit	N/A
3	Avoided Energy (LBMP)	Benefit	Benefit	Benefit	N/A
4	Net Non-Energy Benefits	Benefit	N/A	N/A	Benefit
5	Participant DER Costs	Cost	N/A	N/A	Cost
6	Program Administration Costs	Cost	Cost	Cost	N/A
7	Utility Incentives	Transfer	Cost	Cost	Benefit
8	Lost Utility Revenue (VDER Compensation for vendor)	N/A	N/A	Cost	Benefit

The primary benefit streams for the SCT are Avoided Generation Capacity Cost, Avoided Energy (LBMP), and Avoided Distribution Capacity Infrastructure (**Table 4-5**). The net present value (NPV) of Avoided Distribution Capacity Infrastructure resulted as the largest benefit to society. However, this benefit stream is dependent on the distribution deferral value and location of the battery, which has not yet been determined. Thus, once the location of the battery is identified and a more accurate distribution deferral value estimate can be generated, a significant impact on the SCT could result. The NPV of the Participant DER Cost is the primary cost driver to the SCT, which includes the costs for the vendor to install and maintain the 5 MW ESS.

Table 4-5. NWA Retail Energy Storage BCA Value Streams (SCT)

#	Value Stream	Calculation Methodology	Benefits (NPV, $M)	Costs (NPV, $M)
1	Avoided Distribution Capacity Infrastructure	Based upon the distribution deferral value and deferral length (investment and years)	7.37	
2	Avoided Generation Capacity Cost (AGCC)	Based upon marginal capacity costs and estimated peak demand reduction	4.89	
3	Avoided Energy (LBMP)	Based upon the average LBMP during charge and discharge periods of the battery	5.04	

#	Value Stream	Calculation Methodology	Benefits (NPV, $M)	Costs (NPV, $M)
4	Net Non-Energy Benefits	Includes Federal Clean Electricity Investment Tax Credit (CEITC) applied to upfront Capital storage system costs (30%)[176]	3.64	
5	Participant DER Cost	Accounts for participant cost of energy storage system hardware and installation cost		20.29
6	Program Administration Costs	Accounts for the utility cost to administer an RFP to a potential vendor for the ESS		0.10
	Total Benefits		**20.93**	
	Total Costs			**20.38**
	SCT Ratio		**1.03**	

NPV = Net present value

Because the ESS is assumed to be vendor-owned and operated, the PCT costs are driven by the Participant DER Costs. The identified costs to the vendor include costs for the battery storage system, battery maintenance and augmentation, and battery interconnection to the grid. Battery storage system costs include the costs of the battery pack, controls, power electronics, and balance of plant (BOP), which would be incurred during the installation phase of the ESS (assumed 2027-2028). The battery maintenance and augmentation costs include the annual O&M costs to maintain battery to combat corrosion, erosion, and system fatigue of the battery cells and other BOP hardware components based on terms defined in the ESS warranty. This cost also includes processes and strategies associated with battery cell replacement and system augmentation as well as the annual land leasing fee, which will be paid annually throughout the lifetime of the battery. Lastly, the interconnection costs include the fee for the vendor to interconnect the ESS to the grid as well as reserves and contingency (R&C) costs, which are estimates based on similar sized systems in the queue or interconnected to LIPA's distribution system. This cost is assumed to be incurred during the energization year of the ESS, which is assumed as 2029 in this BCA.

The benefits to the vendor consist of the Utility Performance / Installation Incentives, VDER Value Stack Compensation through their engagement in Community Distributed Generation (CDG), and the Clean Electricity Federal Tax Credit (CEITC). PSEG Long Island modeled a

[176] The Clean Electricity Investment Tax Credit (CEITC) is a tax credit offering for 2025 and is assumed to continue to be offered throughout the installation period of the EES. However, given the current federal administration, it is possible that the CEITC offering could be terminated. As a result, the NPV for this benefit stream could be reduced or eliminated altogether. (*See* **Appendix E** for URL address).

utility incentive rate of $200/kWh that would be paid out to the vendor during the ESS installation year rather than on a declining block structure, as there is only one vendor for this use case.[177] The actual incentive rate will be reevaluated during RFP process with the vendor in next year's NWA Retail Energy Storage Evaluation.

Additionally, the model assumes the vendor receives value for exports from VDER Value Stack compensation, which works by customers receiving a small portion[178] of credits from a CDG host / battery vendor subscription, which in turn provides the CDG host / battery vendor their compensation. The value of the energy produced is calculated by its components for energy storage, which include Energy, Capacity, Demand Reduction Value, and Locational System Relief Value.[179] The model assumes that the vendor will receive 89% of VDER Value Stack Compensation. The BCA model will be updated in Q3 2025 to reflect any changes or updates that result from the 2025 MCOS Study and VDER Tariff Analysis that are expected to be completed by PSEG Long Island and LIPA by the end of July 2025. Any resulting impacts to the cost-effectiveness tests will be shared with the DPS and LIPA and may impact future considerations for retail storage on Long Island, potentially enabling more than one ESS project to be considered.

Finally, the model assumes the vendor receives a federal tax credit from the CEITC and that the tax credit will continue to be offered during the installation period of the ESS. Assuming the vendor meets the prevailing wage and apprenticeship requirements, they would be eligible for the full 30% tax credit.[180] This tax credit would be applied to the capital costs of the ESS project, which include the costs of the battery storage system and the interconnection cost. However, given the priorities of the current federal administration, it is possible that the CEITC offering could be terminated. As a result, the NPV for this benefit stream could be reduced or eliminated altogether.

[177] The $200/kWh incentive rate is estimated based off a range incentive rates ($100/kWh - $300/kWh) currently or previously offered by other JUs and NYS utilities. See NYSERDA's Retail Incentive Dashboard for more details. The actual utility incentive will be determined during the RFP process in next year's evaluation to reflect vendor needs. (*See* **Appendix E** for URL address).
[178] The most common VDER value share with the customers is 10%, the CDG Host would then receive 89% and the utilities for billing would receive 1%.
[179] NYSERDA VDER Value Stack provides information on the components of the VDER Value Stack and how to calculate compensation. (*See* **Appendix E** for URL address).
[180] IRS Clean Electricity Investment Tax Credit (CEITC) provides information on who is eligible for the credit and how to claim the credit. (*See* **Appendix E** for URL address).

4.2.2. Connected Buildings Pilot

2025 Status	Active
2026 Status	Complete
Start Year	2023
End Year	2025
Description and Justification	The Connected Buildings Pilot demonstrates how consumption control can help provide customers with bill savings, add grid value through reduced supply and infrastructure costs, and support beneficial electrification. The pilot ran from 2023 and through 2024, with summer testing and the final report to be completed in 2025.

The Connected Buildings Pilot demonstrates the benefits of integrated controls by enabling customer devices to respond directly and autonomously to Utility price and dispatch signals. Insight into and control of consumption can lead to more efficient and optimal energy management, provide customers with bill savings, add grid value through reduced supply and infrastructure costs, and support beneficial electrification.

Within the Pilot, a smart electric panel is used to integrate and control end-use devices. The pilot was conducted with PSEG Long Island residential customers (the device is only designed for residential homes), beginning with single-family homes seeking to add significant new DERs such as solar, storage, EVSE, and heat pumps. The smart panel enables breaker-level monitoring, better insight into customer loads, and more granular control of certain DER (*e.g.,* energy storage). In addition to providing value through response to utility price and dispatch signals, the panel can reduce the cost of interconnecting new DER's and improve customer and utility understanding of end-use consumption. Lastly, the panel can improve customer resiliency through customized interoperability between the panel, DER's, and dynamically designated customer critical loads.

4.2.2.1. Implementation Update

Despite contracting delays in 2022 and 2023, the installation of 61 smart electric SPAN panels in 59 homes supported through the Connected Buildings Pilot was completed by the end of 2024. The program will remain active in 2025 as funding is necessary for customer incentives for testing scenarios and for the Final Pilot Assessment Report. Please refer to the scope and schedule updates below for Connected Buildings Pilot.

Scope Update

Minimal activity for the pilot occurred in 2022 and 2023 due to contracting delays with the third-party contractor and vendor. In late 2023 and early 2024, the cost of storage equipment started to reduce and the voluntary enrollment option for Time-of-Day (TOD) rates helped to

progress panel installations for the pilot program. As a result, the primary scope of the pilot was completed and a total of 61 SPAN Smart Panels were installed and interconnected at 59 residential single-family homes. Rebate payments were paid out (accrued in 2024) to SUNation.

Schedule Update

A Mid-Term Report was developed in Q1 2024, and the findings of the report provided a preliminary analysis of the Pilot. As mentioned above, a total of 61 SPAN Smart Panels were installed and all rebates were paid out and accrued in 2024. The project team also worked with the PSEG Long Island Data Lake Team to affirm that all past SPAN panel data can be imported into the Data Lake, and that future SPAN panel data can automatically be imported into the Data Lake.

In the summer of 2025, testing scenarios will be conducted to examine the different capabilities of the SPAN Smart Panels and help ensure that they are working properly. In preparation for summer testing, the project team is currently validating panel data accuracy, developing scenarios, and collaborating with internal SMEs and stakeholders. Data from the testing results will be used for the Final Pilot Assessment Report, and customer incentives will be provided to promote customer participation. As a result, the Connected Buildings Pilot is on track to be completed by the end of 2025, following the completion of a Final Pilot Assessment Report.

4.2.2.2. Funding Reconciliation

The Connected Buildings Pilot had no budgetary spending in 2022 due to contractual delays with the third-party contractor and vendor. Additionally, in 2023, increased interest rates coupled with contractual delays pushed rebate payments to be paid out by the end of 2024. Because of these delays, the Pilot completion date shifted from the end of 2023 to the end of 2025. Thus, the O&M spend that was planned for this Pilot in 2023 was spent in 2024 and will be spent in 2025.

Updated annual budgets and variances from the budgets presented in the 2024 Utility 2.0 Plan for the Connected Buildings Pilot are shown in **Table 4-6** and **Table 4-7**, respectively. It is important to note that budgetary values presented in the tables below are rounded to the hundredths decimal place.

Table 4-6. Capital and Operating Expense Budget, Actual and Forecast ($M)

Category	Actual ($M)	Updated Forecast ($M)	Request ($M)	Projected (Not Requested) ($M)	Total ($M)
	2024	2025	2026	2027	
Capital	–	–	–	–	**–**
O&M	0.19	0.04	–	–	**0.23**
Total	**0.19**	**0.04**	**–**	**–**	**0.23**

Table 4-7. Capital and Operating Expense Variance ($M)

Category	2024 ($M)	2025 ($M)	2026 ($M)
Capital	–	–	–
O&M	(0.07)	–	–
Total	**(0.07)**	**–**	**–**

Rebate Payments

While initial rebates were targeted at $3,500 per panel, the offering was increased to $3,800 per panel installed in 2024 in an attempt to increase customer participation. All rebate payments were accrued in 2024 and are no longer offered. **Table 4-8** shows the number of SPAN Panels and Payments distributed through the Connected Buildings Pilot.

Table 4-8. Connected Buildings Pilot SPAN Panels and Payments

Category	2023		2024	
	Number of SPAN Panels	Rebate Total	Number of SPAN Panels	Rebate Total
Initial Offering	12	$42,000	4	$14,000
Supplemental Payment[181]	–	–	–	$300
Updated Offering	–	–	45	$171,000
Total	**12**	**$42,000**	**49**	**$185,300**

Evaluation, Measurement, and Verification (EM&V)

Third-party support will be required to aid in the analysis of data for the Final Pilot Assessment Report. Given that 61 SPAN Smart Panels were installed and interconnected by the end of 2024 and that the Final Pilot Assessment Report will require at least 12 months of data before it can be completed, the third-party support required (estimated $20,000) to

[181] A supplemental $300 payment in 2024 was issued for a SPAN Panel that applied in 2023 after the updated rebate offering was released (8/17/2023).

develop the Final Pilot Assessment Report is expected to be completed by the end of 2025 and will mostly focus on summer usage and findings.

Customer Incentives

Customers that participated in the Pilot will be offered the opportunity in summer 2025 to participate in testing scenarios for their SPAN Smart Panels. These testing scenarios will examine the different capabilities of the SPAN Smart Panels and help ensure that they are working properly. Data from the testing results will be used for the Final Pilot Assessment Report and customer incentives (estimated $20,000) will be provided to promote participation.

4.2.2.3. Lessons Learned

The Connected Buildings Pilot requires collaboration with the PSEG Long Island Data Lake Team through a structured query language (SQL) server. Prior to the Pilot, the Utility 2.0 project team had minimal experience with SQL coding requirements. With some research and testing, the team was able to query data and run calculations for the project. Moving forward and in considering potential future Utility 2.0 projects that require data analysis, it is important to identify the data storage process during the planning phase for the project.

Additionally, as previously discussed, small-scale demonstration projects of this nature will not be proposed in the future. The administrative burden, the uniqueness of the novel technology, and the limited scale of the project present significant challenges in achieving the desired level of participation, given the other responsibilities of the involved staff.

4.2.2.4. Next Steps

Following the installation of the final panels in 2024, customers will be incentivized to participate in testing scenarios (*e.g.,* metering and demand flexibility) which will occur in the summer of 2025. A Final Pilot Assessment Report is planned to be completed in the second half of 2025 using third-party support.

4.2.3. Dynamic Load Management Programs

LIPA introduced the Dynamic Load Management (DLM) Tariff program effective April 1, 2016. The DLM Tariff was designed to be consistent with the objectives of Reforming the Energy Vision (REV) in NYS by providing innovative market-based solutions to T&D system needs. The DLM Tariff consists of a Direct Load Control (DLC) program and a Demand Response (DR) program. The program is effective during the capability period, which is May 1-September 30.

The DLC Program, known as the “Smart Savers Program,” allows PSEG Long Island to control central air conditioning systems via Wi-Fi enabled Smart Thermostats during peak electric use periods to curtail overall electric demand. In exchange for this control,

participating customers will receive a one-time $85 enrollment payment. In subsequent years, the customer will receive an annual $25 performance payment linked to their actual curtailment usage, when customers remain in the program and fully participate in a minimum of 50% of the curtailment events during the capability period.

The second part of the DLM Tariff is a more traditional DR program called the "System Peak Rewards Program," which emulates the New York Independent System Operator's Emergency DR and Special Case Resource programs. The two offerings within the System Peak Rewards Program are referred to as the Commercial System Relief Program (CSRP) and the Distribution Load Relief Program (DLRP) which differ based on how demand response events are called and are described in detail below. This program compensates customers who agree to reduce their electric load by a specified amount during peak electric use periods (May 1 – September 30) typically but not exclusively through deployment of onsite Stand-by Emergency Generation or ESS. Under this tariff, medium-to-large size commercial customers or residential and small commercial customers through an aggregator must reduce their load by a specified amount when called on either through a day-ahead notification or in reliability need times two hours ahead.

For the DLC Smart Savers Program, PSEG Long Island will communicate with each participating customer's individual thermostat; and for the System Peak Rewards Program, PSEG Long Island will instruct aggregators and/or customers to curtail during a DR event one day or two hours in advance dependent on whether the CSRP or DLRP is initiated.

There is a strong overlap between the customers enrolled in the DLRP and the CSRP. In 2024, both the CSRP and DLRP programs were successful in providing load reduction across Long Island. The program currently has 11 market aggregators approved, and their cumulative portfolio of customers consists of ~860 customers from various market segments. Approximately 300+ residential customers participated in the Demand Response program in 2024—notably, these are relatively small kW-contracted load per customer.

4.2.3.1. Notable Changes

Since January 1, 2024, participating energy storage customers may choose to have their battery output directly measured for verification of performance by direct metering of the energy storage system. This is an alternative option to measuring load relief at the utility AMI meter and using the 10 Day Weather Adjusted Baseline Methodology.[182]

[182] Dynamic Load Management Tariff Programs Program Guidelines and Operational Procedures. (*See* **Appendix E** for URL address).

Third-party aggregators enroll residential customers with BTM energy storage equipment and arrange for metering and communications protocols. These protocols enable the aggregator to measure the performance of the individual residential ESS during load reduction events and electronically report that performance to PSEG Long Island or PSEG Long Island's third-party vendor. To calculate load shedding and customer incentives, the following information, among other factors, is considered:

- Direct metering of the ESS output will be used to verify the actual Load Relief provided (kW and kWh) by the customer's energy storage system during each hour of each designated Load Relief Period and Test Event, at the aggregator's option.
- Data transmitted via direct metering of the energy storage system during each designated Load Relief event will be captured and communicated by the participating third-party aggregators and used by PSEG Long Island to evaluate performance and compensation.
    - Measurement and communications will be accomplished through API agreements between the PSEG Long Island's third-party vendor and the energy storage system's Aggregator/original equipment manufacturer (OEM).
    - Secure data will be transmitted in real-time from the energy storage system inverter, directly to PSEG Long Island's third-party vendor.
- Time-of-Day (TOD) rate code customers are eligible to participate in direct metering.

Historically, outreach efforts to customers have been conducted by participating contractors. There may be potential opportunities for PSEG Long Island to also contribute to outreach efforts to further promote enrollment in the DLM Tariff programs in order to increase aggregator, and ultimately customer, participation.

4.2.3.2. Program Delivery

To implement the DLM Tariffs, PSEG Long Island contracted with service provider EnergyHub which includes program services including program management, marketing, training, enrollment support, dispatch support, and reporting.

DLC Smart Savers Program

The DLC Smart Savers Program will pay customers $85 to enroll their smart thermostat in the program. The thermostat will allow PSEG Long Island to curtail usage of central air conditioning systems in the home or small business. In addition, the customer will receive a $25 payment for each subsequent year they remain in the program and fully participate in a minimum of 50% of the curtailment events during the capability period. The customer must utilize an approved thermostat provider and install the device in their home or business. Approved thermostat providers market and promote the program to potential customers, and customers enroll in the Smart Savers Program through the smart thermostat electronic

application. The device is an internet-connected thermostat that is registered with the program enrollment administrator and is linked to PSEG Long Island through an enrollment portal. PSEG Long Island initiates a load reduction curtailment day when appropriate, during the program capability period.

Commercial System Relief Program (CSRP)

The CSRP creates the opportunity for market forces to identify and implement load relief measures that would allow PSEG Long Island to avoid building new distribution capacity at specific locations along the T&D system. The goal of the program is to have the market provide such solutions and for PSEG Long Island to spend less on T&D upgrades and projects.

The CSRP offers several features to both individual customers and aggregators of customers in the program. The program scope consists of:

- Monthly reservation payments per kW for commitments to reduce load on 21 hours' notice. The current reservation payment is $5/kW/month.
- Performance payments for each kWh of energy curtailed during a called event, lasting up to 4 hours. The current performance payment is $0.25 per kWh reduced during a curtailment event.

Direct participants and aggregators may participate by reducing/deferring load or utilizing dispatchable onsite generation options to meet the commitment to reduce their load on the system. Generation options must meet strict emissions criteria to be eligible for the program. Advanced Metering Infrastructure (AMI) is also required of all customers enrolled in the program, except those with master meters. All load reduction provided during a called curtailment event will be quantified using a Customer Base Load methodology, which requires detailed interval data and usage information made available on a timely basis.

Distribution Load Relief Program (DLRP)

The DLRP creates the opportunity to reduce electric load in certain designated zones or "load pockets" on the PSEG Long Island system. These load pockets will be identified, when necessary, by PSEG Long Island and posted to the PSEG Long Island website. The DLRP offers:

- Monthly reservation payments per kW for commitments to reduce load on two-hours' notice. The current reservation payment is $3/kW/month of enrolled load reduction.
- Performance payments for each kWh of energy curtailed during a called event lasting up to 4 hours. The current performance payment for load reduced during a called event is $0.25 per kWh.

- Locational premiums for load pocket areas or areas that PSEG Long Island designates as an area requiring distribution relief.

Direct participants and aggregators may participate by reducing/deferring load or utilizing dispatchable onsite generation options to meet the commitment to reduce their load on the system. Generation options must meet strict emissions criteria to be eligible for the program. AMI metering is also required of all customers enrolled in the program. All load reduction provided during a called curtailment event will be quantified using a Customer Base Load methodology which requires detailed usage information made available on a timely basis.

EV Customer Participation under DLM

In 2025, PSEG Long Island started engagement with EV aggregators to encourage participation in EV active managed charging through the DLM program to provide additional system peak relief. PSEG Long Island anticipates more than 100 residential EV customers will participate this year through the CSRP and DLRP. PSEG Long Island estimates that these EV customers will represent approximately 15% of the program participation in 2025 and an initial forecast of 175 kW of managed charging load contribution from the participating aggregator. PSEG Long Island will utilize the results of this year's participation in the program to further understand contributions from residential EV customers with respect to peak load relief.

Both commercial and residential customers are eligible to enroll through the CSRP and DLRP, where PSEG Long Island plans to engage aggregators and individual customers regarding the opportunity beyond 2025. PSEG Long Island will update its EV customer engagement strategy again in 2026 based on lessons learned during the initial EV customer participation in the DLM program as well as discussions with interested participants during the 2025 customer engagement period.

4.2.3.3. Customer Enrollment/Financial Impacts

The financial impacts of the three programs are expected to be favorable to ratepayers on a net present value basis. Each of the three programs involves payments that are less than the costs that can be avoided from their implementation, producing a net benefit to ratepayers; the Benefit-Cost Analysis is included in the DLM Annual Report.[183] **Table 4-9** shows the enrollment activity as of January 1, 2024.

[183] PSEG Long Island 2024 Dynamic Load Management (DLM) Program Report. (*See* **Appendix E** for URL address).

Table 4-9. DLM Tariff Results as of January 1, 2024

Program	2024 Customers	2024 Measured Load Reduction (MW)	2024 Curtailment Events	Curtailment Events (2016-2024)
Smart Savers Program[184]	61,074	52.06[185]	1	28
CSRP/DLRP[186]	860	18.18[187]	5	49

In 2024, most customers enrolled in CSRP were also enrolled in DLRP. The MW reductions shown in **Table 4-10** reflects the performance of the DLM programs. It is important to note that the performance (added MW capacity) for the CSRP and DLRP programs is not additive. It is also important to note that potential EV customer participation in the DLM programs is not accounted for in the forecasts shown in the table below. In future forecasts, EV customer participation will be accounted for and reported herein.

Table 4-10. DLM Tariff Five-Year Forecast[188]

Associated Capacity (MW)	2025	2026	2027	2028	2029
DLC	69.0	77.0	85.0	89.0	93.0
CSRP	12.6	13.2	13.9	14.6	15.3
DLRP	12.6	13.2	13.9	14.6	15.3
Total[189]	**81.6**	**90.2**	**98.9**	**103.6**	**108.3**

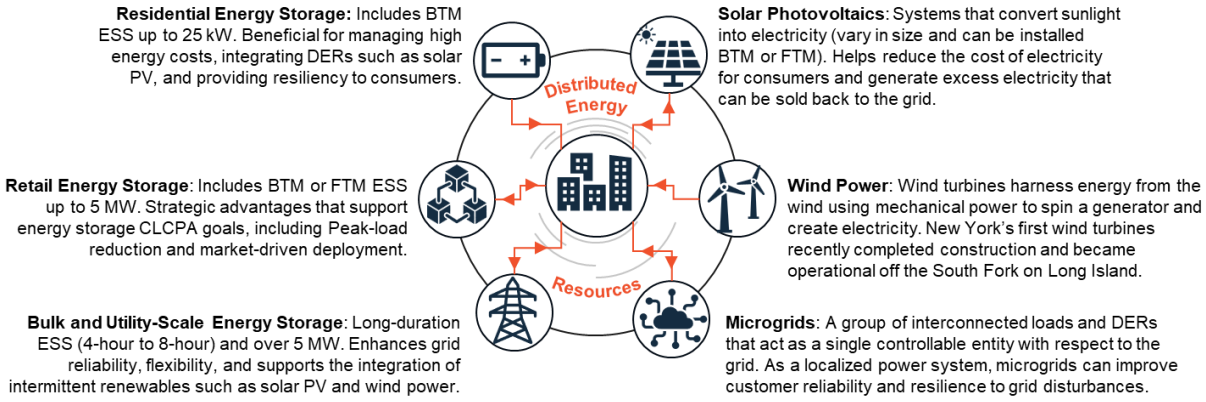
4.3. Distributed Energy Resources 2030 Outlook

In the 2024 Utility 2.0 Plan, the Five-Year Plans for Energy Storage and Solar PV were presented in separate chapters. To provide a cohesive update on PSEG Long Island DERs, the 2030 Outlooks for both Energy Storage and Solar PV is presented together and aligned to the corresponding NYS CLCPA goals. PSEG Long Island's 2030 Outlook is a comprehensive strategy focused on advancing energy storage, DERs, and solar PV portfolios that support the NYS CLCPA goals. The DER 2030 Outlook further outlines PSEG Long Island’s commitment to achieving significant milestones through the deployment of

[184] Enrollment is cumulative.
[185] Number of devices multiplied by the average load shed per device.
[186] Customers enrolled for the 2024 season, May 1 – September 30.
[187] Contracted Load Relief.
[188] All DLM payments are collected through the Power Supply Charge and therefore do not impact the operating budget. Five-Year forecast for CSRP/DLRP is based on an estimated 5% increase year-after-year through 2029, relative to 2025 projections. Forecast for DLC through 2027 is based on current projected customer growth (10% increase forecast), which is expected to level off in 2028 and 2029 (5% increase forecast).
[189] There is strong overlap between customers enrolled in the DLRP and the CSRP, thus associated capacity (MW) for these programs are not additive.

DERs to create a more reliable and resilient grid for the future. See **Figure 4-2** below for descriptions of the types of DERs, and associated energy flows, which are discussed further in the 2030 Outlook.

Figure 4-2. DER Types, Definitions, and Energy Flow



PSEG Long Island plans to bolster residential and retail energy storage initiatives, contributing towards the state's ambitious targets of 1.5 GW by 2025 and 6 GW by 2030. As of March 2025, Long Island has already achieved approximately 35 MW of residential and retail behind-the-meter (BTM) energy storage and is expected to achieve approximately 38 MW by the end of 2025, demonstrating a robust start towards its long-term objectives (**Table 4-11**).[190]

Table 4-11. PSEG Long Island Energy Storage Project Portfolio

Type	Category	Size (MW AC)	In-Service (Est./Act.)
Residential	BTM: Interconnected Long Island Energy Storage	~26	2025
Retail	BTM: Interconnected Long Island Energy Storage	~12	2025
Utility-Scale	FTM: East Hampton & Montauk	10	2018 & 2019
All Energy Storage	**Total Expected MW (by EOY 2025)**	**48**	2025
All Energy Storage	**Long Island's 2025 CLCPA Load-Share Ratio Target**	**188**	2025

[190] BTM interconnected energy storage estimates for Long Island through EOY 2025 are based on the average of completed BTM storage the past two years (2023-2024).

Type	Category	Size (MW AC)	In-Service (Est./Act.)
Bulk	FMT: Bulk Energy Storage System (BESS) (2023 RFP Pending)	129	2028
Retail	FTM: NWA Retail Energy Storage System	5	2029
Residential	BTM: Projected Long Island Energy Storage[191]	~20	2030
Retail	BTM: Projected Long Island Energy Storage	~1.5	2030
All Energy Storage	**Total Expected MW (by EOY 2030)**	**203.5**	2030

Note: FTM = Front-of-the-Meter; BTM = Behind-the-Meter

New York State's statewide goal for solar generation in 2030 is 10,000 MW[192]. As of Q1 2025, PSEG Long Island has achieved 1,150 MW DC of distributed Solar PV (**Table 4-12**). PSEG Long Island will continue to grow its existing portfolio to meet the statewide CLCPA goal by 2030.

Table 4-12. PSEG Long Island Solar PV Project Portfolio

Project / Initiative Name	Size (MW)	In-Service (Estimated or Actual)
Long Island Solar Farm	32	2011
Eastern Long Island Solar Project	11	2013
Shoreham Solar Commons	25	2018
Riverhead Solar	20	2019
Kings Park Solar 1 and 2	4	2019
Solar Feed-in Tariffs I-III	85.1	2025
LI Solar Calverton	23	2022
Solar Communities (FIT V)	12	2026
Behind-the-Meter	1,200	2030
Total	**1,412.1**	

These efforts underscore the utility's dedication to providing sustainable and cost-effective energy solutions for its customers. Ultimately, PSEG Long Island aims to develop a least-cost storage, DER, and solar PV portfolio by 2030. **Sections 4.3.1** through **4.3.4** below elucidate PSEG Long Island's forward-thinking approach through 2030 and its commitment

[191] BTM projected energy storage for Long Island for 2026 through 2030 are based on the average of completed BTM storage (residential and retail) for the past five years (2020-2024).
[192] New York State Climate Action Council. Scoping Plan – Full Report December 2022. (*See* **Appendix E** for URL address).

to meeting regulatory goals while fostering a just clean energy future for Long Island residents and businesses.

4.3.1. Residential and Retail Energy Storage

Residential energy storage provides several key benefits to the PSEG Long Island and its customers, which include:

- **System-wide Benefits**: Residential ESS programs can provide system-wide benefits through aggregation and consumer participation in demand response programs.
- **Upfront Incentive Payments**: Enrollment in PSEG Long Island's Residential Energy Storage System Incentive Program can reduce consumer costs by providing an incentive to the installer upfront, simplifying purchase decisions for homeowners.
- **DAC Benefits**: PSEG Long Island supports LMI/DAC customers by enabling proportional benefits for the integration of residential energy storage, in line with criteria provided by the Climate Justice Working Group (CJWG).[193]

Retail energy storage provides strategic advantages, such as:

- **Peak-load Reduction**: Retail ESS for peak-load reduction (storing energy during off-peak times and discharging during on-peak periods) further alleviates pressure on the grid and reduces the need for expensive T&D upgrades.
- **Market-driven Deployment**: Incentive rates based on detailed analyses of market demand and system costs can reduce retail ESS installation costs for consumers.

By focusing on these strategies, PSEG Long Island and New York State, can effectively utilize residential and retail energy storage to support its ambitious climate goals and transition to a flexible and resilient energy system. The subsections below detail progress and achievements made by PSEG Long Island and the state of New York pertaining to residential and retail energy storage. Additionally, a summary of PSEG Long Island's outlook on capabilities for residential and retail energy storage is provided below.

4.3.1.1. PSEG Long Island Progress and Achievements

Long Island was the first region in New York to offer residential battery storage incentives. Between 2019 and 2021, PSEG Long Island supported customer-sited energy storage through its behind-the-meter (BTM) Storage Plus Solar Program. As a continuation and in support of the existing NYSERDA Long Island Single-Family Residential Incentive program,

[193] Climate Justice Working Group criteria for disadvantaged communities (DACs), (*See* **Appendix E** for URL address).

the Residential Energy Storage System Incentive Program was proposed in 2022 to provide residential customers with financial support to purchase and install BTM ESS paired with new or existing solar. In 2025, this program transitioned into Operational status as NYSERDA and LIPA executed a memorandum of understanding (MOU) for the program, enabling NYSERDA to continue funding the program through 2026. PSEG Long Island will continue to administer the program, but the program is no longer a part of the Utility 2.0 portfolio. More information on this program can be found in **Appendix B**.

As a part of the Residential Energy Storage System Incentive Program, PSEG Long Island uses the CJWG's DAC criteria to identify single-family residential Long Island customers within DACs that are eligible for a higher LMI/DAC incentive.[194,195,196] In 2024, NYSERDA announced an additional incentive of $150/kWh for residential solar projects paired with energy storage that meet the requirements of the Affordable Solar Residential Incentive for LMI homeowners.[197]

As of March 2025, there is a total of ~35 MW residential and retail BTM energy storage on Long Island. Residential BTM energy storage systems (23 MW as of March 2025) are the primary contributor to PSEG Long Island's NYS CLCPA goal achievement to-date. NYSERDA currently offers incentives for retail energy storage systems (BTM or FTM) up to 5 MW.[198] In 2019 through 2021, a single MWh block of incentive funding was available for retail energy storage projects located on Long Island. However, retail MWh Block incentives are not currently available for the Long Island region. Despite this gap in retail energy storage incentives, 24 energy storage systems with capacities ranging from ≥25 kW through 5 MW, totaling to 12 MW (as of March 2025), are currently registered on Long Island. At this time, PSEG Long Island does not plan to offer block incentives for retail energy storage systems and will instead evaluate an NWA for retail energy storage on a specific circuit location next year (**Section 4.2.1**). Depending on the results from this Evaluation and future availability for Regional Greenhouse Gas Initiative (RGGI) funding, PSEG Long Island may reevaluate its participation in NYSERDA's retail energy storage program.

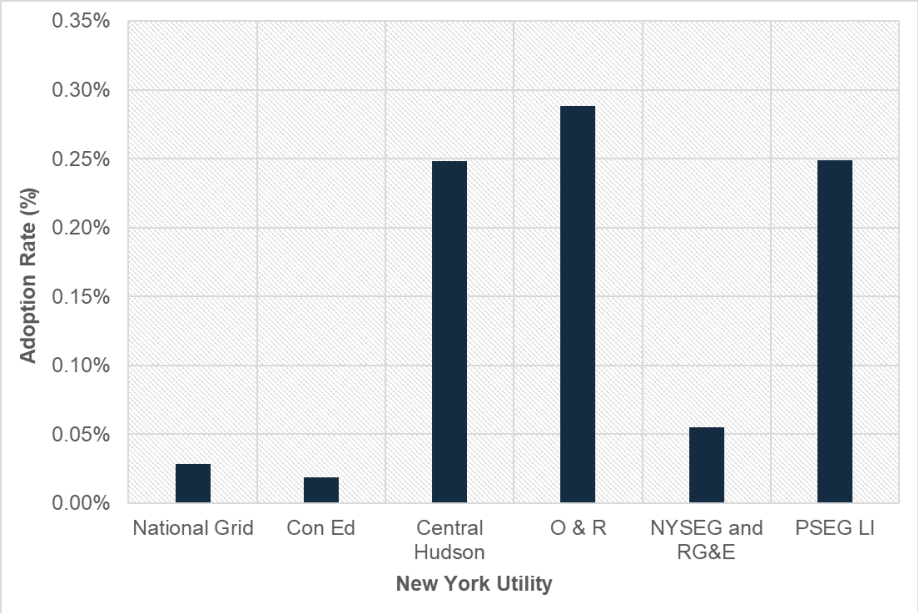
4.3.1.2. New York State Evaluation

PSEG Long Island updated a comparison analysis, initially presented in the 2024 Utility 2.0 Energy Storage Five-Year Plan, with current data on residential and retail energy storage

[194] NYSERDA's Disadvantage Community (DAC) Map. (*See* **Appendix E** for URL address).
[195] List of Census Tracts that meet the Disadvantaged Community Criteria. (*See* **Appendix E** for URL address).
[196] Additional detail on DAC Criteria can be found on the Climate Act Website under the "Disadvantaged Communities Criteria Documents" section. (*See* **Appendix E** for URL address).
[197] NYSERDA NY-Sun Upstate + Long Island Program Manual – April 2024 Update, page 19. (*See* **Appendix E** for URL address).
[198] Residential and Retail Storage Incentives - NYSERDA. (*See* **Appendix E** for URL address).

adoption rates (%) for New York Utilities.[199,200] The purpose of this analysis is to better understand and benchmark PSEG Long Island's current progress on implementing customer-sided energy storage. The results show that compared to electric customers served by other New York Utilities, PSEG Long Island has one of the highest residential energy storage adoption rates (**Figure 4-3**).[201] Additionally, the number of residential ESS within PSEG Long Island's service territory greatly exceeds the number of ESS for other New York Utilities (**Table 4-13**). However, PSEG Long Island's retail energy storage adoption rate lags behind other New York Utilities because the Utility does not currently offer an incentive program for retail / commercial energy storage (**Figure 4-4**).[202]

Figure 4-3. Residential Energy Storage Adoption Rate (%) by New York Utility (as of March 2025)



[199] The energy storage adoption rates (%) are calculated by dividing the number of residential or retail ESS for a New York Utility by the approximate total number of electric customers served by that New York Utility.
[200] Analysis is based on publicly available information in the NYS Standardized Interconnection Requirements (SIR) Inventory (as of March 2025). (*See* **Appendix E** for URL address).
[201] The resulting small-scale adoption rates (%) are due to the large number of electric customers that each New York Utility serves in comparison to the small number of registered residential and retail ESS.
[202] The New York IOUs incentivize retail storage projects using state funding authorized by the PSC for entities that contribute to the System Benefits Charge. LIPA is not eligible for such state funding and would have to use RGGI or internally generated funds to incentivize retail storage.

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Figure 4-4. Retail Energy Storage Adoption Rate (%) by New York Utility (as of March 2025)

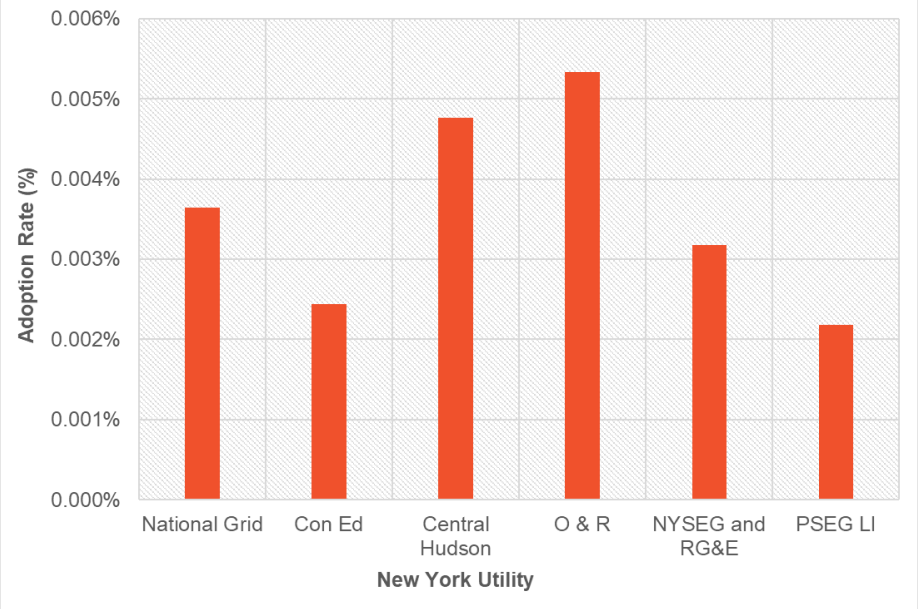

Table 4-13. Residential and Retail Energy Storage by New York Utility

Utility[203]	Residential Energy Storage *(< 25 kW)*		Retail Energy Storage *(≥25 kW – 5,000 kW)*		Total Energy Storage		Electric Customers Served[204]
	Systems	kWAC	Systems	kWAC	Systems	kWAC	Customers
National Grid	483	4,718	62	119,760	545	124,478	1,700,000
Con Ed	670	5,699	88	90,397	758	96,096	3,600,000
Central Hudson	782	6,768	15	6,709	797	13,477	315,000
O&R	864	7,189	16	40,395	880	47,583	300,000
NYSEG and RG&E	708	6,998	41	30,149	749	37,147	1,288,518
PSEG Long Island	2,739	23,324	24	11,547	2,763	34,871	1,100,000

[203] Note that Central Hudson and Orange & Rockland New York utilities serve far fewer electric customers than other New York State utilities.
[204] Approximation based on latest available data.

4.3.1.3. 2030 Outlook

Residential Energy Storage

PSEG Long Island directly supports the New York 6 GW Energy Storage Roadmap's recommendation of leveraging NYSERDA-funded market incentives to accelerate adoption of customer-sited storage, including storage paired with solar PV. Through the Residential Energy Storage System Incentive Program, it is expected that approximately 2.8 MW of additional residential energy storage (~555 systems) will be added to the distribution system by the end of 2026. At this time, there are no plans to expand the Residential Energy Storage System Incentive Program. However, PSEG Long Island will continue to work with NYSERDA, the DPS, and other stakeholders to identify opportunities for program expansion depending on how the current Block 3 incentive distribution progresses and any market trend changes.

For example, the Residential Energy Storage System Incentive Program could be expanded to include incentives for BTM electric vehicle energy storage applications. Currently, the program requires that participating ESS be paired with only solar PV, but this requirement could be updated in the future to include pairing electric vehicle charging with ESS, or standalone battery storage systems where the customer agrees to participate in PSEG Long Island's DLM tariffs. This potential program expansion could help mitigate the gap in customer adoption that exists with energy storage paired with solar PV. Modifications to the application and approval process for program participants and well as interconnection guidelines would also need to be taken into consideration.

Time-based Rates and Energy Storage

The transition to Time-of-Day (TOD) rates provides customers with an additional revenue stream, incentivizing the installation of energy storage systems. TOD rates encourage customers to store energy during off-peak hours when electricity prices are lower and utilize stored energy during peak hours when prices are higher. Customers enrolled in TOD rates, along with the required DLM Tariff enrollment, are expected to meaningfully enhance the energy storage market on Long Island and significantly reduce their electricity costs. This rate will also enable PSEG Long Island to more effectively manage and shift electricity usage during periods of peak demand.

Retail Energy Storage

As mentioned above, PSEG Long Island does not currently plan to offer retail block incentives for customers to interconnect their retail ESS to LIPA's distribution system or partake in NYSERDA's Residential and Retail Energy Storage Market Acceleration Incentives Program. This is because retail ESS benefits of peak-load reduction and capacity deferral are location and circuit dependent. Enabling customers to interconnect onto the

system without first evaluating the benefits, costs, and location considerations could deflate the efficacy of these systems and their intended purpose.

Instead, PSEG Long Island will first evaluate the cost-effectiveness of a 5 MW FTM ESS on a specific circuit location through the NWA Retail Energy Storage Evaluation that is proposed in this Utility 2.0 Plan (*see* **Section 4.2.1** above for more details on this Evaluation). Following the MCOS Study and VDER Tariff Analysis updates in 2025, the BCA for the NWA Retail Energy Storage Evaluation will be updated to reflect any changes. Any modifications to the cost-effectiveness tests may impact future retail storage adoption considerations on Long Island. PSEG Long Island may also consider participating in NYSERDA's program depending on future load growth projections, identification of other viable circuit locations through the evaluation, and/or the potential for available Regional Greenhouse Gas Initiative (RGGI) funding.

4.3.2. Bulk and Utility-Scale Energy Storage

Long-duration energy storage enhances grid reliability, flexibility, and supports the integration of intermittent renewable energy resources such as solar PV and wind power. As a result of the electrification of building heating needs, electric demand is expected to be higher in the winter in 20 years than it is today in New York. Winter months also often coincide with extended periods of low renewables output. Thus, bulk and utility-scale energy sources will play a critical role in maintaining the reliability of electricity supply during winter months in New York.

4.3.2.1. PSEG Long Island Progress and Achievements

Two FTM storage systems were installed in 2018 and 2019 in East Hampton and Montauk, respectively. These storage applications have contributed an additional 10 MW (5 MW at each location) of 8-hour utility battery storage (80 MWh). In 2021, PSEG Long Island issued an RFP for bulk energy storage systems (BESS) that was initially expected to be in service by December 31, 2025, and is now anticipated to be in service by December 31, 2028, due to supply chain delays and other procurement risk factors. LIPA is currently undergoing negotiations for this BESS with various vendors.

A total of 129 MW of BESS has been approved by the LIPA Board and is pending approval from the Office of State Control (OSC).[205] The utility-scale battery storage efforts described above are external to the Utility 2.0 Program, but these efforts greatly contribute to PSEG

[205] The current expectation (as of July 1, 2025) is that the 129 MW BESS RFP will be in-service by the end of 2028, but this is heavily dependent on the resolution of supply chain, federal incentive/tax credit availability, import tax, and community storage moratorium complications, which are outside of the Utility's control.

Long Island's portion of the statewide energy storage CLCPA goals. Information on PSEG Long Island and LIPA's Integrated Resource Planning (IRP)[206] and Long-Term Transmission Planning efforts can be found outside of the Utility 2.0 and EE Plans presented herein.

4.3.2.2. 2030 Outlook

Other than the BESS RFP that is already in the process of fielding vendors, no additional utility-scale battery storage is planned to be procured through 2030. PSEG Long Island will continue to monitor market trends and determine in the near future if additional utility-scale applications are appropriate. PSEG Long Island and LIPA fully intend to evaluate NYSERDA's BESS RFP for purchasing index storage credits (ISCs) to further progress PSEG Long Island's 2030 energy storage CLCPA goal contributions.

In the New York 6 GW Energy Storage Roadmap, NYSERDA proposed a new, centralized procurement mechanism for bulk energy storage projects called index storage credits (ISCs).[207] This ISC mechanism is similar in many respects to the "Index Renewable Energy Credits (RECs)" approach that was adopted by the Commission and utilized in NYSERDA's Tier 1 REC and Offshore Wind REC solicitations.[208] Under this structure, energy storage developers bid a "Strike Price" into a NYSERDA-administered competitive solicitation and the payments are determined by comparing the "Strike Price" to a "Reference Price" based on an index of expected wholesale market revenues. Funding for payments is provided through bill collections from NY Load-Serving Entities (such as PSEG Long Island).

Now that the DPS has approved the New York 6 GW Energy Storage Roadmap (current as of June 20, 2024), and subsequently the ISC Mechanism for energy storage, PSEG Long Island can support payments for ISCs for grid-connected storage technologies.[209] One ISC would represent one MWh of energy storage capacity that is operational on a given day. This means that each day a storage project is operational, it would be credited with and compensated for a number of ISCs equal to the MWh of storage discharge capacity of the unit. As a result, PSEG Long Island would receive MWh Energy Storage Credits that can be counted towards PSEG Long Island's contribution to the statewide CLCPA Goal (similar to the Clean Energy Standard framework).

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[206] Further details regarding IRP can be found at https://www.lipower.org/irp/
[207] The Evolving Utility-Scale Storage Opportunity in NYISO. (*See* **Appendix E** for URL address).
[208] NYSERDA's Tier 1 REC and Offshore Wind REC. (*See* **Appendix E** for URL address).
[209] Approval of New York's Nation-Leading Six Gigawatt Energy Storage Roadmap Announced. (*See* **Appendix E** for URL address).

4.3.3. Solar PV and Other DERs

Through 2030, PSEG Long Island will continue supporting efforts that contribute towards the NYS Solar photovoltaic (PV) CLCPA goals (6 GW and 10 GW of solar PV by 2025 and 2030, respectively). A growing coalition of clean energy advocates is calling for New York leaders to double the distributed solar PV goal from 10 GW by 2030 to 20 GW by 2035.[210] While distributed solar is being deployed at a rapid pace, achieving this ambitious proposal will require adoption from the state, policy intervention to address permitting, interconnection, and economic barriers to distributed solar deployment.

Solar PV panels are beneficial because they generate renewable energy, reduce greenhouse gas emissions and lower electricity costs for customers. Additionally, they increase energy independence and can be adapted at BTM and FTM scales. Although other DERs, such as microgrids and wind turbines, do not directly contribute to the Solar PV CLCPA goal, they can play a significant role in grid stability and reliability. By supporting solar PV and other DERs, PSEG Long Island and New York can effectively meet its ambitious climate goals and improve overall grid flexibility.

The subsections below detail progress and achievements made by PSEG Long Island and summarize the utility's 2030 outlook on solar PV and other DERs.

4.3.3.1. PSEG Long Island Progress and Achievements

Solar PV is procured in Long Island outside of the Utility 2.0 portfolio. Solar PV procurement is achieved in one of three ways:[211]

1. LIPA's electric tariff provides for payments to customer-owned solar and storage.
2. LIPA may issue RFPs to construct utility-scale resources.
3. LIPA can contract with NYSERDA to purchase a share of the RECs from wind and solar projects.

The BTM Storage Plus Solar Program that ran from 2019 through 2021 accounts for over 500 MW of BTM solar generation on LIPA's distribution system. The New York Sun funding was extended in 2020,[212] and PSEG Long Island has consistently received and approved approximately 8,500 new BTM solar projects each year and interconnected over 8,000 solar

[210] 20X35 Raiding New York's Distributed Solar Goal. (*See* **Appendix E** for URL address).
[211] Long Island Power Authority (LIPA). *2023 IRP Summary Guide*. (*See* **Appendix E** for URL address).
[212] Matter 19-02670._Petition of New York State Energy Research and Development Authority Requesting Additional NY-Sun Program Funding and Extension of Program Through 2025, Order Extending and Expanding Distributed Solar Incentives (issued Mary 14, 2020). (*See* **Appendix E** for URL address).

projects in 2024. Since the inception of the Net Energy Metering in the early 2000s, which continues today, PSEG Long Island has completed and installed a total of over 90,000 solar projects, reflecting about 8.1% of the customer base.

There is 200.2 MW of Utility Scale Solar now operating as a result of RFP's and Feed-In-Tariff programs. The 2015 RFP resulted in the Long Island Solar Calverton project, a 22.9 MW solar generation facility which reached commercial operation in August 2022.

To further support commercial solar development on Long Island, PSEG Long Island implemented four Solar Feed-in-Tariff (FIT) programs which have 85.1 MW in operation and 12 MW in award. These programs consist of:

1. FIT I since 2012, with 37.8 MW in operation
2. FIT II since 2013 with 32 MW in operation
3. FIT III since 2016 with 15.4 MW in operation
4. In May of 2020 LIPA and PSEG Long Island launched a new Feed-in-Tariff program, termed Solar Communities or FIT V, with four Power Purchase Agreements (PPAs) signed for 12 MW.

Solar Communities is a program designed to deliver affordable clean energy to income-eligible households, which have traditionally been underserved in the solar market.[213] The Solar Communities program plans to double the amount of community solar on Long Island. As of May 2025, four PPAs have been executed, totaling 12 MW. The FIT V program is now closed and no longer accepting new applications. New York State regularly updates a map detailing statewide distributed solar projects, including those on Long Island.[214]

Long Island has also seen great success with the integration of other DERs, such as wind power. First approved by LIPA in 2017, construction of the South Fork Wind started in January 2022 and ended in March 2024.[215] The 12 turbines that make up South Fork Wind farm located 35 miles offshore and east of Montauk, Long Island generates 132 MW of clean energy and can power ~70,000 Long Island homes. This wind farm is New York's first operational offshore wind farm delivering power to the electric grid. In its first year of operation, South Fork Wind has proven that offshore wind is a reliable and dependable energy source.[216]

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[213] Solar Communities Feed-In Tariff V. (*See* **Appendix E** for URL address).
[214] Refer to the most recent information on PSEG Long Island's current solar portfolio here. (*See* **Appendix E** for URL address).
[215] NY Powers Up First Offshore Wind Farm | South Fork Wind. (*See* **Appendix E** for URL address).
[216] South Fork Wind Farm Fact Sheet. (*See* **Appendix E f**or URL address).

Wind patterns are seasonal and vary by location. Offshore wind energy production in New York is highest during the winter months when winds are the strongest and most consistent. In the near term, LIPA will remain dependent on some imports and local dispatchable resources to maintain reliability, including fossil-fueled generation to balance the growing electricity demand. Over the next 10 years, new technologies and clean fuels will be needed to replace the operational grid flexibility of fossil fuel generation with dispatchable emission-free resources, such as long-duration energy storage, hydrogen, and/or carbon capture/sequestration.

4.3.3.2. 2030 Outlook

Solar PV

New York State's statewide goal for solar generation in 2030 is 10,000 MW[217] with PSEG Long Island's share being 1,310 MW. As of Q1 2025, PSEG Long Island has achieved 88% (1,150 MW) of its 2030 Solar PV CLCPA Goal. PSEG Long Island will continue to grow its existing portfolio to meet the statewide goal. The current Solar PV portfolio is estimated to grow to ~1,412 MW by the early 2030s.[218]

Based on this projected growth, Long Island is expected to exceed its 2030 Solar PV Goal by 2030. PSEG Long Island will continue to utilize the three methods of solar procurement discussed in **Section 4.3.3.1** above to address any potential gaps in achieving its share of the statewide 2030 Solar PV Goal. While there are no programs planned within Utility 2.0 that directly contribute to increased solar generation, PSEG Long Island will continue to indirectly support New York State's 2030 Solar PV Goal by planning for increased grid flexibility and increasing accommodation for two-way connectivity through 2030.

Other DERs

At this time, PSEG Long Island does not have future plans for other Utility 2.0 DER projects outside of the projects and initiatives described above. PSEG Long Island will work closely with LIPA to identify and eliminate barriers for customers or vendors seeking to interconnect their DERs, such as microgrids, to the grid. Furthermore, PSEG Long Island will continue ongoing efforts for Grid and T&D planning, which includes a 10-year horizon load outlook that will inform the NWA Retail Energy Storage Evaluation and/or enable the integration of other DERs (*see* **Section 1.3.2** for more information on PSEG Long Island's contributions outside of Utility 2.0 to the statewide DSIP and CGPP efforts). The Operational Utility 2.0 EV

[217] New York State Climate Action Council. Scoping Plan – Full Report December 2022. (*See* **Appendix E** for URL address).
[218] Long Island Power Authority (LIPA). *2023 IRP Summary Guide*. (*See* **Appendix E** for URL address).

and Storage Hosting Capacity Maps continue to be refined to inform opportunities for DER adoption that enable greater grid flexibility.

4.3.4. 2030 Outlook Summary & Financial Impact

PSEG Long Island will continue to prioritize existing residential and utility-scale energy storage applications while also supporting the evaluation of a 5 MW NWA Retail Energy Storage system. PSEG Long Island will continue to directly support New York State's 2030 Solar PV Goal by planning for increased grid flexibility and increasing accommodation for two-way connectivity through 2030 and is planning to participate in the NYSERDA Tier 1 program to fund DER's across NYS.

Outside of the 2026 and 2027 forecasted spend for the Utility 2.0 NWA Retail Energy Storage Evaluation (*see* **Section 4.2.1**), no additional Utility 2.0 Program funding for energy storage or solar PV is planned through 2030 at this time. It is important to note that market-trends and available funding opportunities outside of the Utility 2.0 program could prompt further exploration of energy storage applications. Thus, energy storage will continue to be a priority for PSEG Long Island. Because PSEG Long Island has made great progress towards its solar PV CLCPA goal and is on track to exceed its 2030 goal, no additional solar PV Utility 2.0 initiatives are planned at this time.

High implementation and incentive costs for utility- and retail-scale battery storage systems pose barriers for potential projects. Thus, detailed analyses should be conducted to justify the cost and benefits of potential systems. Furthermore, customer adoption of residential energy storage on Long Island peaked in 2021-2022 and has declined over recent years (50% of all residential energy storage installations on Long Island to date occurred between 2021 and 2022).[219] Reduced customer adoption rates are likely the result of increases in interest rates and overall battery storage costs in recent years, changes on lending patterns resulting from bank failures in early 2023 and rises in fire safety concerns leading to an overall negative public perception of battery storage. These safety concerns have also led to energy storage moratoriums in numerous towns on Long Island. For instance, Oyster Bay and Southold have extended their moratoriums this year for an additional 6 months and 12 months, respectively.[220] Extensions can have a significant impact on the locations where

[219] Analysis is based on publicly available information in the NYS Standardized Interconnection Requirements (SIR) Inventory (as of March 2025). (*See* **Appendix E f**or URL address).
[220] Long Island Press reported on extension of energy storage moratorium in Oyster Bay on April 10, 2025. The Suffolk Times reported on the 12-month extension of the energy storage moratorium in Southold on April 16, 2025. (*See* **Appendix E** for URL address).

energy storage can be installed on Long Island and further impact planned PSEG Long Island energy storage projects, such as the NWA Retail ES and bulk ESS projects.

Despite these barriers, PSEG Long Island will continue to support the integration and procurement of energy storage and DERs on Long Island. **Figure 4-5** below details the energy storage and solar PV plans through 2030 by topic area (Residential and Retail Energy Storage, Bulk and Utility-Scale Energy Storage, and Solar PV and Other DERs).

Figure 4-5. Energy Storage, Solar PV, and Other DERs – 2030 Outlook

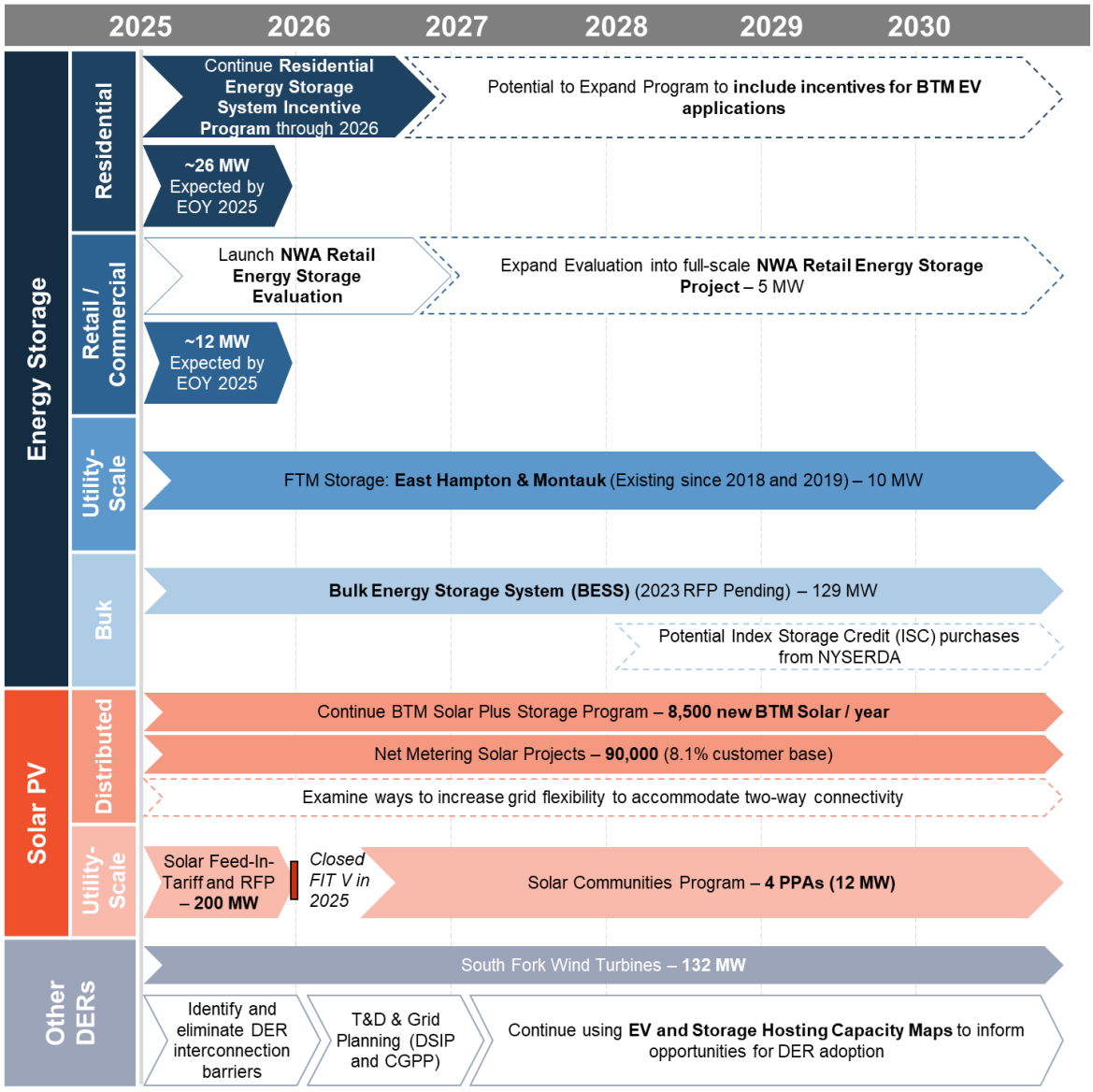

Table 4-14 shows the NWA Retail Energy Storage Evaluation 2026 budget request to issue an RFP to potential vendors (pending identification of a viable circuit). Following vendor selection, an estimated $4 million in utility incentives will be distributed to the vendor to reduce upfront costs for the installation of the system (expected in 2027).[221] More information on costs for this Evaluation and potential project execution can be found in **Section 4.2.1.2**.

If available energy storage technologies, interest rates, customer adoption, and/or other factors change market conditions in the future, PSEG Long Island will reexamine if any new or expanded Utility 2.0 energy storage projects are deemed worth pursuing (reflected as 'TBD' in **Table 4-14** below for 2028 – 2030). PSEG Long Island will then examine any potential business cases and project proposal(s) for that year's Utility 2.0 Plan.

Table 4-14. Energy Storage and Solar PV Forecasted Budget – 2030 Outlook

Category	2026 ($M)	2027 ($M)	2028 ($M)	2029 ($M)	2030 ($M)	Total ($M)
	Request	*Forecast*	*Forecast*	*Forecast*	*Forecast*	
Capital	–	–	*TBD*	*TBD*	*TBD*	–
O&M	0.10	4.00	*TBD*	*TBD*	*TBD*	4.10
Total	**0.10**	**4.00**	***TBD***	***TBD***	***TBD***	**4.10**

[221] $4,000,000 ($200/kWh) is an estimated incentive level, which may be updated during next year's Evaluation to more accurately reflect market changes. The utility incentives will be paid out in one lump sum to the vendor during the ESS installation year.

5. Other Programs (IEDR Platform)

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5. Other Programs

Utility 2.0 programs have historically spanned a wide variety of topic areas, evolving alongside utility and customer priorities to address the most pressing needs of the energy transition. Past Utility 2.0 initiatives have focused heavily on addressing customer needs and growing PSEG Long Island's relationship with customers. For example, the development and deployment of AMI technology and systems has been foundational to making advanced energy technologies available to customers.

PSEG Long Island completed 98.6% of the planned AMI deployment by December 2023, enabling increased customer benefits and operational efficiencies. By utilizing individual and aggregate time interval usage insights and other data provided by the AMI system, PSEG Long Island has implemented customer-facing and internal capabilities to empower customers to take control of their energy usage more effectively and support efficient management of the electric grid. PSEG Long Island is committed to providing customers with greater access to data and information, enabling them to better manage their energy usage.

The Integrated Energy Data Resource (IEDR) Platform is intended to offer essential information for DER providers. This platform aims to facilitate future interconnection planning by providing insights into areas with high locational value, including hosting capacity, solar siting, and aggregated customer usage data, all within a unified system. Access to this data is intended to support increased penetration of DERs and contribute to several New York State priorities.[222]

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[222] The Data Access Framework adopted in this Order will serve as a single source for data access policies and provide uniform and consistent guidance on what is needed for access to, and the availability of, energy-related data. Moreover, the Framework will promote data access, while preserving all the necessary protections, to facilitate New York State's policy goals, Case 20-M-0082, Proceeding on Motion of the Commission Regarding Strategic Use of Energy Related Data, Order Adopting a Data Access Framework and Establishing Further Process (issued April 15, 2021), at 72. (*See* **Appendix E** for URL address).

5.1. Integrated Energy Data Resource (IEDR) Platform

2025 Status	Active
2026 Status	Active
Start Year	2023
End Year	2027
Description and Justification	The New York PSC issued an Order in 2021 for the implementation of an IEDR platform that would securely collect, integrate, and provide broad and appropriate access to large and diverse energy-related information on one statewide data platform. The PSC assigned NYSERDA as the IEDR sponsor responsible for defining, initiating, overseeing, and facilitating the IEDR program on behalf of New York State and for coordinating with other stakeholders that will also have a role in implementing the IEDR platform including the DPS and the New York State investor-owned electric and gas utilities (IOUs).

NYSERDA and E Source Companies, LLC (E Source), in addition to the selected platform provider and solution architect, are leading the effort to develop an IEDR platform to satisfy the NYS PSC order and deliver upon requested data access use cases. This project requires coordination with the NYSERDA project team, who are establishing the business requirements for all use cases. The NYSERDA and E Source project team also includes other selected vendors; Pecan Street, the utility data advisor; and additional development and project management support from UtilityAPI, Flux Tailor, TRC Companies, and HumanLogic.

5.1.1. Implementation Update

5.1.1.1. Project Initiation and Planning

In 2024, the PSEG Long Island IEDR project team continued discussions with LIPA regarding several security and data sharing concerns associated with sending and storing PSEG Long Island data on a third-party platform that is not controlled by PSEG Long Island. PSEG Long Island and LIPA conducted a detailed review of the requested data elements, and the risk associated with sharing them to the NYSERDA IEDR platform. Ultimately, LIPA directed PSEG Long Island to implement the solution to deliver the requested data with E Source.

In December 2024, the PSEG Long Island legal team worked with the E Source team to draft and execute a Cybersecurity Non-Disclosure Agreement (NDA), which paved the way for the PSEG Long Island Project team to initiate the IEDR project. In addition, the LIPA and PSEG Long Island Legal teams filed a tariff amendment designed to protect LIPA from

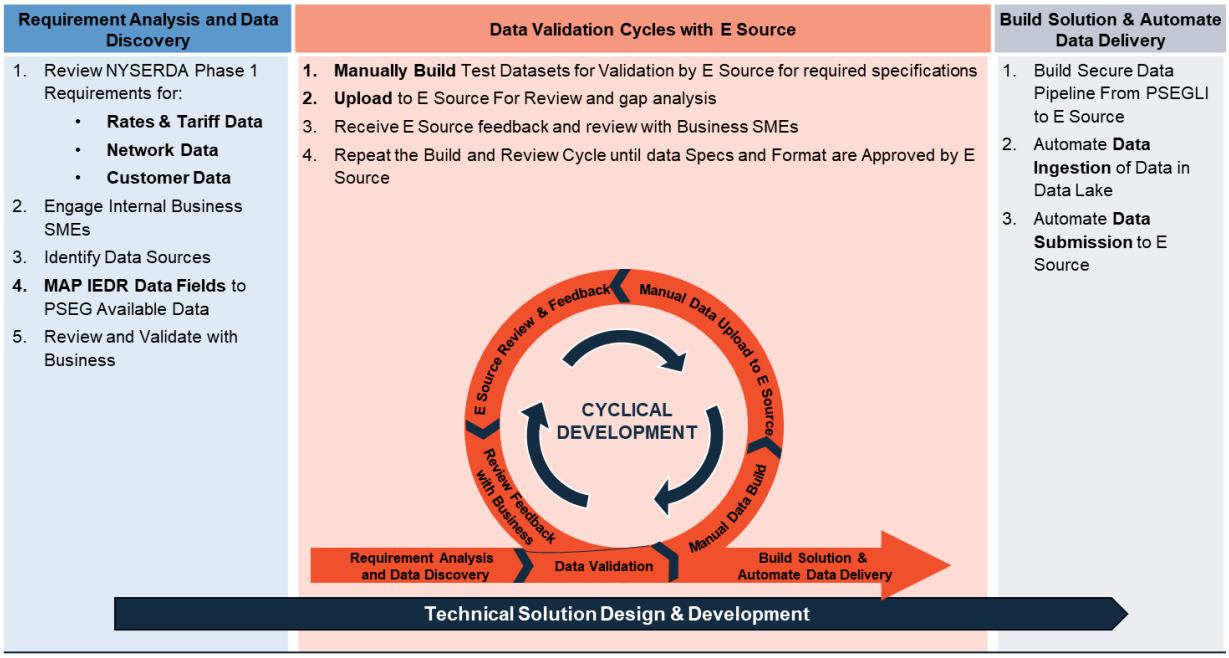
liability in the event of improper access or sharing of customer data after the utility transfers such data to the IEDR platform.

With the legal agreements in place and explicit direction from LIPA to initiate the project, the PSEG Long Island IEDR team prepared an updated preliminary cost estimate and timeline for the 2025 project scope. As a result, in December 2024, PSEG Long Island's URB approved the requested funding required for the IEDR Project in 2025.

5.1.1.2. Project Execution

The PSEG Long Island IEDR team developed a high-level project execution framework outlining the project scope of work (*see* **Figure 5-1**). The Phase 1 business requirements from E Source include use cases associated with rates and tariff data, network data, and customer data. At a high level, the PSEG Long Island project team plans to conduct requirements analysis and data discovery, perform data validation cycles with E Source, and then build the technical solution and automate data delivery to the E Source IEDR Platform in an iterative manner.

Figure 5-1. PSEG Long Island IEDR Project Execution Framework



The technical solution and design are core underlying processes focusing on building an automated solution for PSEG Long Island IEDR data collection, processing, transformation, and delivery to E Source. The project work associated with the project execution framework is described further below.

Requirement Analysis and Data Discovery

The PSEG Long Island IEDR team will review and compile an outline of E Source's Phase 1 requirements for each of the data categories – Rates and Tariff data, Network data, and Customer data. These activities will include:

- Conducting workshops with E Source to confirm PSEG Long Island's understanding of the relevant use cases in Phase 1
- Engaging key PSEG Long Island business users who have the domain knowledge and subject matter expertise to identify the availability and source of each of the data elements requested by E Source
- Reviewing and documenting current business processes and reports to understand how PSEG Long Island's data supports E Source's requirements
- Identifying and mapping E Source data requirements to internal data sources and availability

Data Validation Cycles with E Source

The PSEG Long Island IEDR Project team plans to prepare test data sets for the requested data categories and share them with E Source. E Source will then review and provide feedback on the test data sets as part of the iterative data validation process. These activities will include:

- Using data mapping to identify which data fields can be included in the test data set
- Manually building of the test data sets using E Source data schema format
- Submitting the test dataset to E Source for review and gap analysis
- Reviewing E Source feedback with business SMEs and preparing updated datasets (as applicable). This cycle will continue until E Source approves the test dataset

Automate Data Delivery

In the near term, PSEG Long Island will submit manually created data sets using secure data pipelines from PSEG Long Island to E Source. Over time, the PSEG Long Island IEDR team will work with the business SMEs to automate data collection, ingestion, and curation into the PSEG Long Island Data Lake prior to final delivery to E Source. These activities will include:

- Reviewing the technical landscape and architecture of data sources
- Reviewing existing data models, data flows, quality, and volume
- Building new data pipelines from source to target (the PSEG Long Island Data Lake) prior to data delivery to E Source
- Defining security requirements, access controls for data ingested into the Data Lake

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Technical Solution Design and Development

The PSEG Long Island Project team will design and develop a technical solution in parallel to the data activities described previously. These activities will include:

- Designing a solution that enables internal IEDR data to be collected, centralized and standardized in preparation for delivery to E Source
- Designing and building pipelines from source to target
- Building a solution that allows for data ingestion, curation, and transformation per specifications outlined by E Source
- Developing strategies for integrating data and automation of manual data sources
- Developing high level architecture diagrams outlining main components, systems, data flows
- Building data pipelines

5.1.1.3. Scope Update

The PSEG Long Island IEDR team is working to prepare the required datasets and develop a technical solution to deliver them to E Source, on an on-going basis, at the required frequency to meet Phase 1 requirements. These datasets support E Source's Phase 1 use cases and are described below in **Table 5-1**.

Table 5-1. Required Datasets and Phase 1 Use Cases – IEDR Platform

Data Category	Use Case	Description
Network	Consolidated Hosting Capacity Maps	This use case supports DER developers, DER owners, and/or utilities to view all hosting capacity maps for the entire state in one map view with consistent data, so that users can site new DERs and monitor the state of DER development in New York accurately.
Network	Installed Distributed Energy Resources (DER)	This use case supports Energy Service Entities (ESE) and/or government staff members who want to view all installed DERs that utilities have data on (*e.g.*, the SIR inventory), so they can site new DERs or monitor the state of DER development in New York.
Network	Planned DER	This use case supports ESEs and/or government staff members who want to view and monitor all planned DERs that utilities have data so they can site new DERs or monitor the state of DER development in New York.

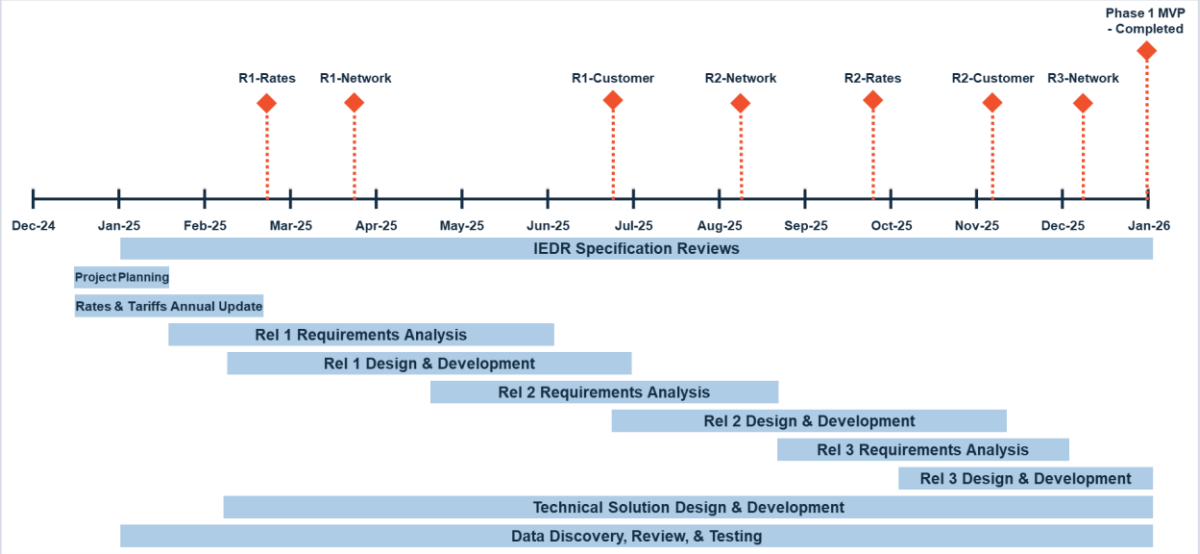
Data Category	Use Case	Description
Network	Electronic Infrastructure Assessment Tool (EIAT) and Hosting Capacity Enhancements	This use case will support DER developers, DER owners, and utilities to better understand and accelerate the interconnection approval process for DER systems, by providing a clearer understanding and evaluation of the process of siting the location of a DER installation, so that DER projects can deliver clean energy to customers as soon as possible.
Rates and Tariff	Find and Filter Rate Options Across New York Utilities	This use case will allow ESEs or government staff members to view a list of rates/tariffs across New York State utilities filterable by key criteria (*e.g.*, rate name, rate type, location, etc.), in order to quickly navigate to pertinent rate information. This use case will also enable access to rate and tariffs information in a consistent and machine readable format.
Rates and Tariff	Access to Basic Rate Data and Tariff Book for Rates	This use case will allow users to see all information about a single rate in one place; enabling those estimating energy customer bills to access relevant data more easily and precisely.
Customer	Efficient and Effective Access to Existing Customer Data	This use case will allow customers to grant registered ESEs access electronically to their customer information, list of accounts, services, billing, and usage data. The objective is for registered ESEs and their clients to save time and money on the utility data pipelines that support energy related products and services, thereby reducing barriers to market entry and scaling.

5.1.1.4. Schedule Update

The PSEG Long Island IEDR Project execution framework is an iterative process that includes several “releases” for each data category. The initial releases include data fields that are readily available and shared with E Source as soon as possible to start the data validation cycles. As the year progresses and additional data elements are identified within PSEG Long Island, each subsequent release will include additional data elements. The final Release will include the most comprehensive set of data available to support E Source’s Phase 1 requirements.

For 2025, the PSEG Long Island IEDR project schedule includes two releases for rates and tariff data, two releases for customer data, and three releases for network data. These releases support E Source’s Phase 1 requirements, with a target completion date for Phase 1 at the end of 2025. The timeline below in **Figure 5-2** shows the schedule of releases.

Figure 5-2. Phase 1 2025 Timeline – IEDR Platform



5.1.1.5. Risks and Mitigations

Table 5-2. Risk and Mitigation Assessment – IEDR Platform

Category	Risk	Mitigation
Storm Response	Storm duty takes priority over everything, including project work. PSEG Long Island labor availability may be impacted, and project deliverables/tasks may be delayed due to storm duty.	Plan and anticipate schedule impact due to storm duty. Notify relevant stakeholders (*i.e.*, the DPS, LIPA) when storm duty will impact the submittal of deliverables.
Resource Availability	Business SMEs have competing priorities and their availability for collaboration can impact the project schedule for delivery.	Coordinate schedule and competing priorities in advance with the business teams required.

5.1.2. Funding Reconciliation and Request

The approved 2025 capital budget for the IEDR project of $3.40 million has been reforecast to reflect the PSEG Long Island IEDR Project Team's updated estimation of level of effort and project timelines. Therefore, the new 2025 forecast will be $2.66 million for this year, with a shift of $1.10 million to 2026 and $0.93 million to 2027, in alignment with expected implementation timeframes. In addition, the $0.20 million in O&M originally planned for 2025 and $0.40 million in 2026 has also been adjusted to $0.10 million in 2025, $0.30 million in 2026, and $0.30 million in 2027 to better align with expected delivery of an internal solution.

Updated annual budgets and variances from budgets presented in the 2024 Utility 2.0 Plan for the IEDR Platform are shown in **Table 5-3** and **Table 5-4**, respectively. It is important to note that budgetary values presented in the tables below are rounded to the hundredths decimal place.

Table 5-3. Capital and Operating Expense Budget, Actual and Forecast ($M)[223]

Category	Actual ($M)	Updates Forecast ($M)	Request ($M)	Projected (Not Requested) ($M)	Total ($M)
	2024	2025	2026	2027	
Capital	0.63	2.66	2.70	0.93	6.92
O&M	–	0.10	0.30	0.30	0.70
Total	**0.63**	**2.76**	**3.00**	**1.23**	**7.62**

Table 5-4. Capital and Operating Expense Variance

Category	2024 ($M)	2025 ($M)	2026 ($M)
Capital	(1.29)	(0.74)	1.10
O&M	(0.10)	(0.10)	(0.10)
Total	**(1.39)**	**(0.84)**	**1.00**

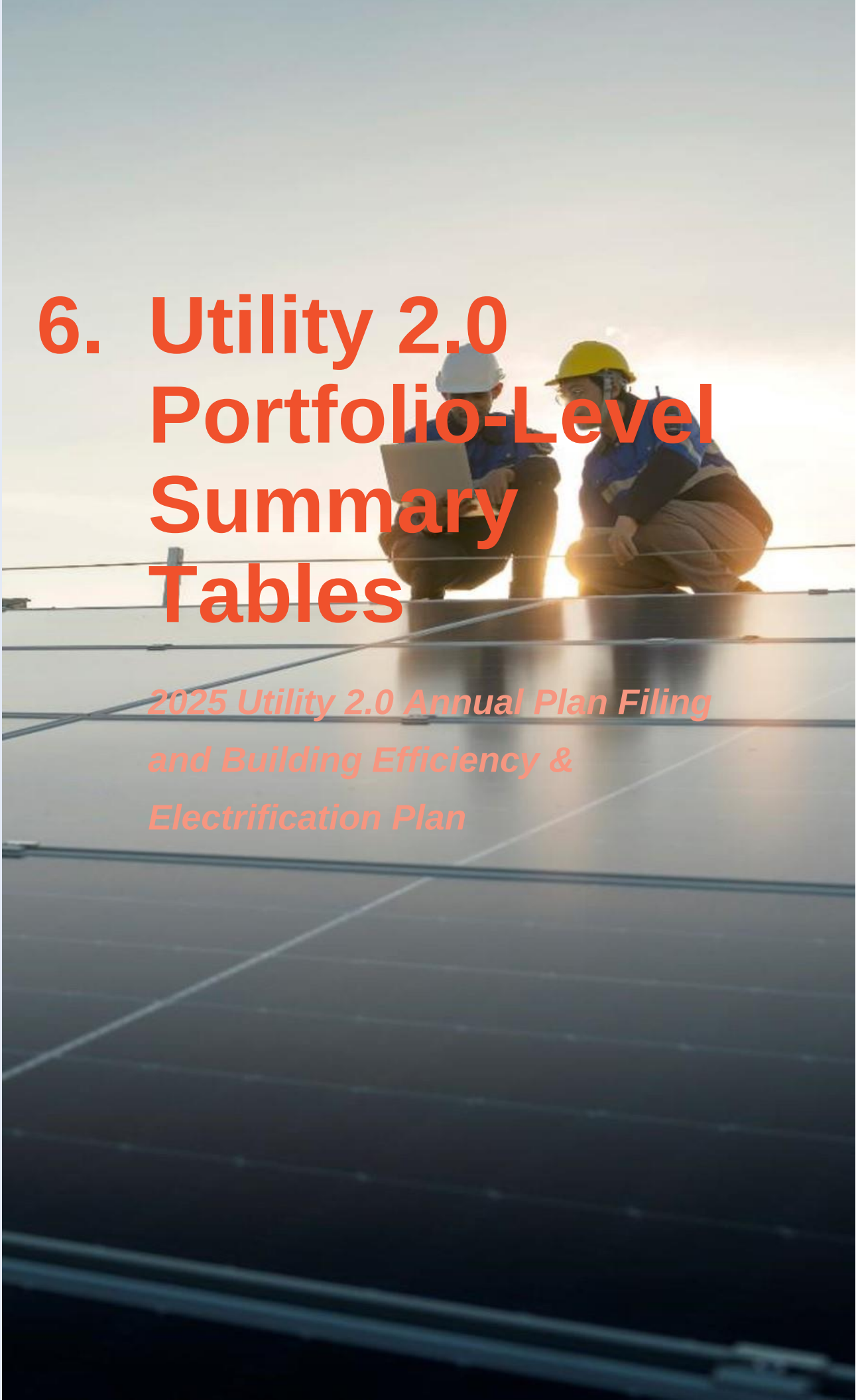
5.1.3. Performance Reporting

Performance reporting does not apply for the IEDR initiative, as PSEG Long Island was directed to participate in the program by LIPA to meet DPS requirements and the goals of the PSC Order 20-M-0082.[224] The IEDR initiative does not provide direct benefits for PSEG Long Island.

5.1.4. Next Steps

The PSEG Long Island team is working to complete the stages of the project execution framework for Phase 1. As part of “Build Solution and Automate Data Delivery” stage, the data ingestion and curation process will undergo enhancements and automation, where possible, to increase efficiency and accuracy by reducing labor hours and human errors. These enhancements will continue into 2027.

[223] A portion of the Capital Forecasts for 2025-2027 are attributed to Capital Expenditure for Utility 2.0 PMO Support on the IEDR Platform.
[224] PSC Order 20-M-0082. (*See* **Appendix E f**or URL address).



6. Utility 2.0 Portfolio-Level Summary Tables

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6. Utility 2.0 Portfolio-Level Summary Tables

6.1. Funding Requested for New and Active Utility 2.0 Initiatives

Table 6-1 summarizes the updated funding request for active projects, broken out by Capital expenditures and O&M expense. Given that the 2025 Utility 2.0 Plan is representative of a one-year outlook, the funding requests regard only 2026. Estimated spending projections are provided for 2027; however, this outer year will be revisited in next year's 2026 Utility 2.0 Plan. It is important to note that budgetary values presented in the table below are rounded to the hundredths decimal place.

Table 6-1. 2026 Funding Request and 2027 Projections for Active and Proposed Initiatives[225]

2025 Status	Initiative Name	Capital Expenditure ($M)			O&M Expenditure ($M)			2-Year Total Request
		Request 2026	Projection 2027	2-Year Total	Request 2026	Projection 2027	2-Year Total	
Active	**Make-Ready Programs**	2.88	3.59	**6.47**	12.31	13.79	**26.19**	**32.57**
	EV Make-Ready Program	*1.08*	*1.37*	*2.45*	*11.04*	*12.29*	*23.33*	*25.78*
	Fleet Make-Ready Program	*1.81*	*2.22*	*4.03*	*1.28*	*1.50*	*2.78*	*6.81*
	Electric Vehicle Programs[226]	4.11	0.39	**4.50**	0.99	1.10	**2.09**	**6.59**
	Demand Charge Rebate	*0.00*	*0.00*	*0.00*	*0.15*	*0.25*	*0.40*	*0.40*
	EV Phase-In Rate	*4.11*	*0.39*	*4.50*	*0.00*	*0.00*	*0.00*	*4.50*
	Residential Charger Rebate Program	*0.00*	*0.00*	*0.00*	*0.59*	*0.60*	*1.19*	*1.19*
	Suffolk County Bus Make-Ready Pilot	0.00	0.00	**0.00**	0.00	0.00	**0.00**	**0.00**
	Connected Buildings Pilot	0.00	0.00	**0.00**	0.00	0.00	**0.00**	**0.00**
	IEDR Platform	2.70	0.93	**3.63**	0.30	0.30	**0.60**	**4.23**
Proposed	**NWA Retail Energy Storage**	0.00	0.00	**0.00**	0.10	4.00	**4.10**	**4.10**
	Total Utility 2.0 Programs	**9.69**	**4.91**	**14.60**	**13.70**	**19.18**	**32.89**	**47.49**

[225] BEE Program budget is not included in this table since the BEE Program budget is funded separately from Utility 2.0 Programs. A portion of the Capital Forecasts for 2026 and 2027 are attributed to Capital Expenditure for Utility 2.0 Project Management Office (PMO) Support for the Make-Ready Programs, EV Programs, and IEDR Platform.
[226] Marketing and Outreach for the Electrical Vehicle Program is all encompassing. The Marketing and Outreach is included in the Overall O&M Total for the Electric Vehicle Program, but it is not allocated to a specific sub-project within the Electric Vehicle Program. Thus, the Electric Vehicle Programs O&M Totals do not equal the sum of the sub-project O&M Totals.

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6.2. Budget Variance for Ongoing Utility 2.0 Initiatives

PSEG Long Island reconciled 2024 actual spend with the approved budgets that were filed in the 2024 Utility 2.0 Plan for each Utility 2.0 initiative. The Utility also re-forecasted the budget for all ongoing initiatives for the period between 2025 and 2027.

Table 6-2 shows the variance between the approved reconciled budgets from the 2024 Utility 2.0 Plan, the actual 2024 spend, and the updated 2025 – 2026 projected budgets for the Utility 2.0 initiatives. **Table 6-3** shows the variance by Utility 2.0 initiative broken out by year. Cost-level details for the 2024 actual spend, 2025 planned spend, 2026 requested spend, and 2027 projected spend are included in **Chapters 3 through 5**. Please note, as in other variance tables throughout this document, negative values reflect an actual or projected underspend of the previously filed budget. It is important to note that budgetary values presented in the tables below are rounded to the hundredths decimal place.

Table 6-2. 2024 – 2026 Variance Between Reconciled Budget and Updated Initiative Spending

2025 Status	Initiative Name	Capital ($M)			O&M ($M)			Total Variance
		2024 Budget 2024-2026	Updated Forecast 2024-2026	Total Capital Variance	2024 Budget 2024-2026	Updated Forecast 2024-2026	Total O&M Variance	
Active	**Make-Ready Programs**	21.65	12.50	**(9.15)**	36.97	28.64	**(8.33)**	**(17.48)**
	EV Make-Ready Program	16.80	9.65	(7.15)	33.25	25.69	(7.56)	(14.71)
	Fleet Make-Ready Program	4.84	2.84	(2.00)	3.72	2.95	(0.77)	(2.77)
	Electric Vehicle Programs[227]	2.82	8.45	**5.63**	7.58	5.97	**(1.61)**	**4.02**
	Demand Charge Rebate	0.00	0.00	0.00	2.49	2.78	0.29	0.29
	EV Phase-In Rate	2.82	8.45	5.63	0.39	0.00	(0.39)	5.24
	Residential Charger Rebate Program	0.00	0.00	0.00	4.13	2.60	(1.53)	(1.53)
	Suffolk County Bus Make-Ready Pilot	0.05	0.05	**0.00**	0.76	0.76	**0.00**	**0.00**
	Connected Buildings Pilot	0.00	0.00	**0.00**	0.30	0.23	**(0.07)**	**(0.07)**
	IEDR Platform	6.92	5.99	**(0.93)**	0.70	0.40	**(0.30)**	**(1.23)**
Proposed	**NWA Retail Energy Storage**	0.00	0.00	**0.00**	0.00	0.10	**0.10**	**0.10**
	Total	**31.44**	**26.98**	**(4.45)**	**46.32**	**36.10**	**(10.21)**	**(14.67)**

[227] Marketing and Outreach for the Electrical Vehicle Program is all encompassing. The Marketing and Outreach is included in the Overall O&M Total for the Electric Vehicle Program, but it is not allocated to a specific sub-project within the Electric Vehicle Program. Thus, the Electric Vehicle Programs O&M Totals do not equal the sum of the sub-project O&M Totals.

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Table 6-3. Annual Variance Between Approved Budget and Updated Project Spending

2025 Status	Initiative Name	Total Variance from 2024 Filed Plan			
		2024	2025	2026	Total
Active	**Make-Ready Programs**	(4.96)	(1.47)	(11.06)	**(17.48)**
	EV Make-Ready Program	(3.50)	(0.90)	(10.31)	(14.71)
	Fleet Make-Ready Program	(1.46)	(0.57)	(0.75)	(2.77)
	Electric Vehicle Program[228]	(0.73)	1.54	3.21	**4.02**
	Demand Charge Rebate	0.14	0.00	0.15	0.29
	EV Phase-In Rate	(0.10)	1.54	3.80	5.24
	Residential Charger Rebate Program	(0.74)	0.00	(0.79)	(1.53)
	Suffolk County Bus Make-Ready Pilot	0.03	(0.03)	0.00	**0.00**
	Connected Buildings Pilot	(0.07)	0.00	0.00	**(0.07)**
	IEDR Platform	(1.39)	(0.84)	1.00	**(1.23)**
Proposed	**NWA Retail Energy Storage**	0.00	0.00	0.10	**0.10**
	Total	**(7.12)**	**(0.80)**	**(6.75)**	**(14.67)**

[228] Marketing and Outreach for the Electrical Vehicle Program is all encompassing. The Marketing and Outreach is included in the Overall O&M Total for the Electric Vehicle Program, but it is not allocated to a specific sub-project within the Electric Vehicle Program. Thus, the Electric Vehicle Programs O&M Totals do not equal the sum of the sub-project O&M Totals.

6.3. Rate Impact Analysis

The rate impact on residential customers from Utility 2.0 initiatives is illustrated in **Figure 6-1**. PSEG Long Island expects on average a net increase in residential bills through 2027 as a result of the Utility 2.0 initiatives. This net increase is driven primarily by the NWA Retail Energy Storage Evaluation.

Figure 6-1. Residential Customer Bill Impacts from Utility 2.0 Initiatives

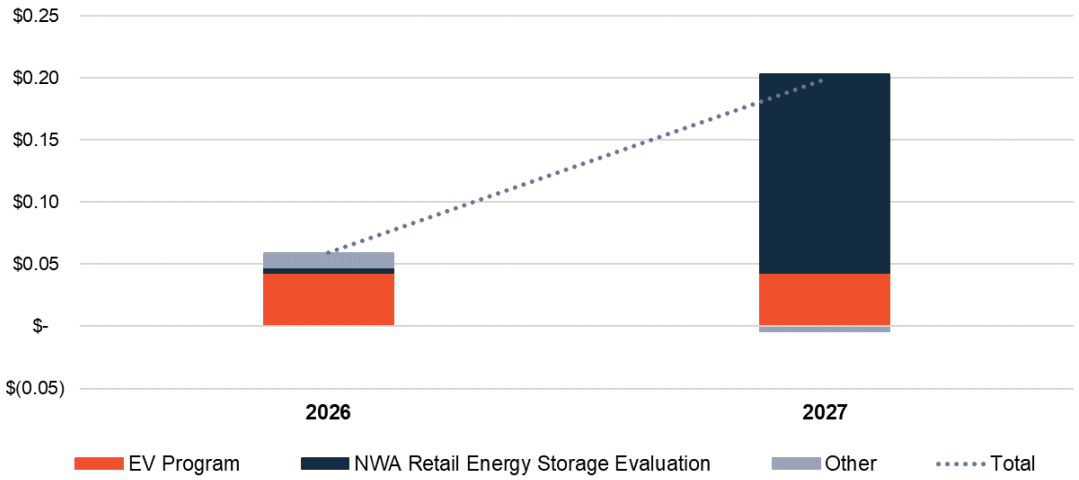

Table 6-4 illustrates the estimated rate impact on residential customers. These rate impacts reflect the capital, O&M, net revenue change, and power supply costs for each active program, initiative, and project included in the 2025 Utility 2.0 Plan's funding requirements. A positive impact indicates an increase, and a negative impact indicates a decrease in rates.[229]

Table 6-4. Residential Rate Impacts

Initiative	2026 ($)	2027 ($)
EV Programs[230]	0.04	0.04
Make-Ready Programs[231]	0.00	(0.01)
Connected Buildings Pilot	0.00	0.00
Suffolk County Bus Make-Ready Pilot	0.00	0.00
IEDR Platform	0.01	0.01
NWA Retail Energy Storage Evaluation	0.00	0.16
Total	**0.06**	**0.20**

[229] Residential rate impacts are rounded to the nearest hundredths place.
[230] EV Programs include the DCFC Program, Residential Charger Rebate Program, and EV Phase-In Rate
[231] Make-Ready Programs include the EV Make-Ready and the Fleet Make-Ready Program

The rate impact on commercial customers from Utility 2.0 initiatives is illustrated in **Figure 6-2**. PSEG Long Island expects on average a net increase in commercial bills through 2027 as a result of the Utility 2.0 initiatives. This net increase is driven primarily by the Make-Ready Programs (EV Make-Ready Program).

Figure 6-2. Commercial Customer Bill Impacts from Utility 2.0 Initiatives

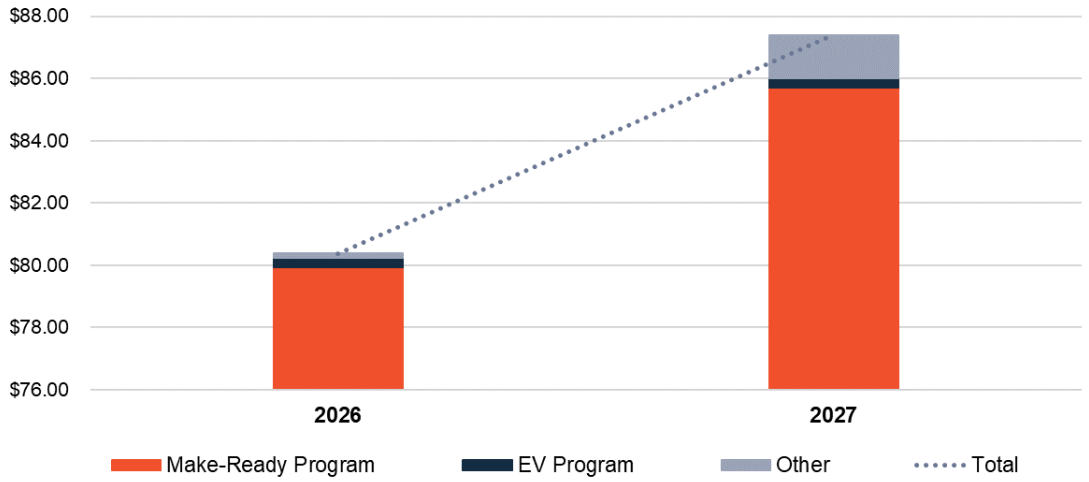

Table 6-5 illustrates the estimated rate impact on commercial customers. These rate impacts reflect the capital, O&M, net revenue change, and power supply costs for each active program, initiative, and project included in the 2025 Utility 2.0 Plan's funding requirements. A positive impact indicates an increase, and a negative impact indicates a decrease in rates.[232]

Table 6-5. Commercial Rate Impacts

Initiative	2026 ($)	2027 ($)
EV Programs[233]	0.30	0.30
Make-Ready Programs[234]	79.95	85.71
Connected Buildings Pilot	0.00	0.00
Suffolk County Bus Make-Ready Pilot	0.00	0.00
IEDR Platform	0.10	0.08
NWA Retail Energy Storage Evaluation	0.03	1.31
Total	**80.38**	**87.40**

[232] Commercial rate impacts are rounded to the nearest hundredths place.
[233] EV Programs include the DCFC Program, Residential Charger Rebate Program, and EV Phase-In Rate
[234] Make-Ready Programs include the EV Make-Ready and the Fleet Make-Ready Program

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Appendix

2025 Utility 2.0 Annual Plan Filing and Building Efficiency & Electrification Plan

Appendix A. Benefit-Cost Analysis Handbook

This Benefit-Cost Analysis Handbook has been developed in conjunction with efforts undertaken by New York State Investor-owned Utilities in response to the PSC's direction to the JU to develop and file Benefit-Cost Analysis (BCA) Handbooks by June 30, 2016, as a requirement of the Order Establishing the Benefit-Cost Analysis Framework (*BCA Order)*.[235]

The BCA Handbook is intended to set forth PSEG Long Island's approach to Benefit-Cost analysis for purposes of screening annual BEE Portfolio Plans and will be updated in the future to reflect any approach used for the potential procurement of DER as NWA to planned T&D capital investments ("Non-Wire Solutions").

The below subsections provide an overview of PSEG Long Island's BCA Handbook, relevant cost-effectiveness tests, how different DER profiles are characterized, and utility-specific assumptions that are used for BCAs. Since the BCA methodologies, calculations, and examples remain unchanged from last year, this information can be found in PSEG Long Island's BCA Handbook presented in Appendix A of the 2024 Utility 2.0 Plan.

A.1 Introduction

The BCA Handbook provides methods and assumptions that are used to inform BCAs for the above types of expenditure and strives to be consistent with statewide methodologies adopted by the JU unless operational or procurement practices would require an alternative approach.

The BCA Handbook endeavors to meet the following foundational goals

1. Be based on transparent assumptions and methodologies; list all benefits and costs including those that are localized and more granular
2. Avoid combining or conflating different benefits and costs
3. Assess portfolios rather than individual measures or investments (allowing for consideration of potential synergies and economies among measures)
4. Address the full lifetime of the investment while reflecting sensitivities on key assumptions
5. Compare benefits and costs to traditional alternatives instead of valuing them in isolation

[235] *BCA Order*: Case 14-M-0101, Order Establishing the Benefit Cost Analysis Framework (issued January 21, 2016).

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A.1.1 Application of the BCA Handbook

The evaluation of cost-effectiveness of programs and alternative solutions compared to traditional infrastructure and utility investments is a complex and difficult analysis which requires the consideration of many factors – some which lend themselves to relatively clear quantification and some which are more challenging. Similarly, a like for like comparison cannot necessarily always be completed for each aspect of a potential solution.

In any such analysis it is important to recognize that the end results are highly dependent upon the forecasting, financial and framework assumptions which are used for both the base case and program and/or opportunity being compared to the base case.

The BCA Handbook attempts to provide a common approach to conducting BCAs across investments in programs, projects and portfolios while also noting instances where individual investment characteristics may need to be considered.

This BCA Handbook is envisioned to be a dynamic work which may be amended going forward as implementation of the BCA process reveals details or aberrations which may not have been foreseen in the initial drafting of the Handbook. Lastly, the BCA Handbook will identify the source of data to be used based upon applicability of project. **Table A-1** lists the statewide data and sources to be used for BCA.

Table A-1. New York Assumptions

New York Assumptions	Source
Energy and Demand Forecast	NYISO: Load & Capacity Data
Historical Ancillary Service Costs	NYISO: Markets & Operations Reports
Wholesale Energy Market Price Impacts	DPS Staff: To be provided[236]
Allowance Prices (SO_2, and NO_X)	NYISO: CARIS Phase 2
Net Marginal Damage Cost of Carbon	DPS Staff: To be provided[237]

[236] DPS Staff will perform the modeling and file the results with the Secretary to the Commission on or before July 1 of each year. Reference and/or link will be provided upon DPS issuance of information.
[237] The Net Marginal Damage Cost of Carbon is determined by the NYSERDA REC acquisition price. (*See* **Appendix E** for URL address).

Utility-specific assumptions include data embedded in various utility published documents such as rate cases. **Table A-2** lists the suggested utility-specific assumptions for the BCA Handbook.

Table A-2. Utility-Specific Assumptions

Utility-Specific Assumptions	Source
Weighted Average Cost of Capital	[Utility-specific] Rate Case
Losses	[Utility-specific] Electric Loss Report
Marginal Cost of Service	[Utility-specific] Marginal Cost of Electric Delivery Service Study
Reliability Statistics	DPS: Electric Service Reliability Reports[238]
Restoration Costs	Utility-specific
Locational Based Marginal Prices (LBMP)	Utility-specific
Avoided Generation Capacity Cost (AGCC)	Utility-specific
Avoided Cost of Energy (ACE)	Utility-specific

A.1.2 Structure of the Handbook Overview

This Appendix only includes sections of the BCA Handbook relevant to this year's Utility 2.0 Plan. To see the full details of the BCA Handbook, please refer to last year's (2024) Utility 2.0 Plan.[239] The sections below explain the relevant cost tests and utility-specific assumptions that are applied under the BCA Framework.

A.2 Relevant Cost-Effectiveness Tests

The BCA Handbook outlines the Cost-Effectiveness Tests that are used to evaluate whether a certain program and/or opportunity is beneficial to specific stakeholders: Society, the Utility, Ratepayers, and Participants.

The *BCA Order* states that the SCT, UCT, and the Rate Impact Measure (RIM) make up the relevant cost-effectiveness tests to be used in the BCA. These cost-effectiveness tests are summarized in **Table A-3.**

[238] 2020 Annual Electric Service Reliability Report. (*See* **Appendix E** for URL address).
[239] 2024 Utility 2.0 Long Range Plan & Energy Efficiency Plan, Appendix A. (*See* **Footnote Citations and** for URL address).

Table A-3. Cost-Effectiveness Tests

Cost Test	Perspective	Key Question Answered	Calculation Approach
SCT	Society	Is the State of New York better off as a whole?	Compares the costs incurred to design and deliver projects, and customer costs, with avoided electricity and other supply-side resource costs (*e.g.,* generation, transmission, and natural gas); also includes the cost of externalities (*e.g.,* carbon emissions and other net non-energy benefits).
UCT	Utility	How will utility costs be affected?	Compares the costs incurred to design, deliver, and manage projects by the utility with avoided electricity supply-side resource costs.
RIM	Ratepayer	How will utility rates be affected?	Compares utility costs and utility bill reductions with avoided electricity and other supply-side resource costs.
PCT	Participant	How will participant costs be affected?	Compares the costs incurred by the participant to fund programs or measures not provided by the utility including equipment and participation costs assumed by DER providers or participants.

The *BCA Order* positions the SCT as the primary cost-effectiveness measure because it evaluates impact on society as a whole. PSEG Long Island also considers the SCT as the primary test for whether or not to pursue a program or project.

The role of the UCT and RIM is to assess the preliminary impact on utility costs and ratepayer bills from the benefits and costs that pass the SCT. The results of the UCT and RIM test are critical in identifying projects that may require a more detailed analysis of their impact to the utility and ratepayers. Some projects may not provide benefits to the utility and ratepayers, even if it is beneficial to society as a whole. It is important to note, however, that if a measure passes the SCT but its results do not satisfy the UCT and RIM tests, the measure would not be rejected unless a complete bill impact analysis determines that the impact is of a "magnitude that is unacceptable."[240]

[240] *BCA Order*, pg. 13.

Each cost-effectiveness test included in the BCA Framework is defined in greater detail in the following subsections.

Table A-4 summarizes which cost-effectiveness tests can be applied to the benefits and costs included in the *BCA Order*. The subsections below provide further context for each cost-effectiveness test. The Benefit Costs considered in the screening of the BEE Program Portfolio are also captured in the below table.

Table A-4. Summary of Cost-Effectiveness Tests by Benefit and Cost

Benefit/Cost	SCT	UCT	RIM	PCT
Benefit				
Avoided Generation Capacity Costs (AGCC)	✓	✓	✓	
Avoided ACEs	✓	✓	✓	
Avoided Transmission Capacity Infrastructure and Related O&M	✓	✓	✓	
Avoided Transmission Losses	✓	✓	✓	
Avoided Ancillary Services (Spinning Reserves, and Frequency Regulation)	✓	✓	✓	
Wholesale Market Price Impact**		✓	✓	
Avoided Distribution Capacity Infrastructure	✓	✓	✓	
Avoided O&M	✓	✓	✓	
Distribution Losses	✓	✓	✓	
Net Avoided Restoration Costs	✓	✓	✓	
Net Avoided Outage Costs	✓			✓
Net Avoided CO2	✓			
Net Avoided SO2 and NOx	✓			
Avoided Water Impact	✓			
Avoided Land Impact	✓			
Lost Utility Revenue				✓

Benefit/Cost	SCT	UCT	RIM	PCT
Net Non-Energy Benefits Related to Utility or Grid Operations* **	✓	✓	✓	✓
Utility Incentives				✓
Cost				
Program Administration Costs	✓	✓	✓	
Added Ancillary Service Costs	✓	✓	✓	
Incremental Transmission & Distribution and DSP Costs	✓	✓	✓	
Participant DER Cost	✓			✓
Lost Utility Revenue			✓	
Net Non-Energy Costs**	✓	✓	✓	
Utility Incentives		✓	✓	

*** The Wholesale Market Price Impact in the UCT and RIM would be assessed as a sensitivity.*
**** It is necessary to identify which cost-effectiveness test should include the specific benefit or cost in the Net Non-Energy Benefits Related to Utility or Grid Operations or Net Non-Energy Costs as it may apply to the SCT, UCT and/or RIM.*

Performing a cost-effectiveness test for a specific project or a portfolio of projects requires the following steps:

- **Select the relevant benefits** for the investment
- **Determine the relevant costs** from each cost included over the life of the investment
- **Estimate the impact the investment** will have in each of the relevant benefits in each year of the analysis period (*i.e.*, how much will it change the underlying physical operation of the electric system to produce the benefits)
- **Apply the benefit values** associated with the project impacts
- **Apply the appropriate discount rate** to perform a cost-effectiveness test for a specific project or portfolio. The discount rate is the utility weighted average cost of capital to determine the present value of all benefits and costs
- **Treat inflation consistently** by discounting real cash flow by real discount rates and nominal cash flows by nominal discount rates. A 2% annual inflation rate should be assumed unless otherwise specified. In 2025, the inflation rate used for the BCA Models was 2.82%.

A.2.1 Societal Cost Test

Table A-5. Societal Cost Test

Cost Test	Perspective	Key Question Answered	Calculation Approach
SCT	Society	Is the State of New York better off as a whole?	Compares the costs incurred to design and deliver projects, and customer costs with avoided electricity and other supply-side resource costs (*e.g.,* generation, transmission, and natural gas); also includes the cost of externalities (*e.g.,* carbon emissions, and net non-energy benefits)

A majority of the benefits included in the BCA Order can be evaluated under the SCT because their impact can be applied to society as a whole. This includes all distribution system benefits, all reliability/resiliency benefits, and all external benefits.

Lost Utility Revenue and Shareholder Incentives do not apply to the SCT, as these are considered transfers between stakeholder groups that have no net impact on society as a whole.

Similarly, the Wholesale Market Price Impact sensitivity is not performed for the SCT because the price suppression is also considered a transfer from large generators to market participants in the BCA Order:

"Wholesale markets already adjust to changes in demand and supply resources, and any resource cost savings that result are reflected in the SCT. Any price suppression over and above those market adjustments is essentially a transfer payment – simply a shift of monetary gains and losses from one group of economic constituents to another. No efficiency gain results if, for example, generators are paid more or less while consumers experience equal and offsetting impacts. Therefore, the price suppression benefit is not properly included in the SCT beyond the savings already reflected there."[241]

[241] *BCA Order*, pg. 24

A.2.2 Utility Cost Test

Table A-6. Utility Cost Test

Cost Test	Perspective	Key Question Answered	Calculation Approach
UCT	Utility	How will utility costs be affected?	Compares the costs incurred to design, deliver, and manage projects by the utility with avoided electricity supply-side resource costs

The UCT looks at impact to utility costs associated with energy, capacity, generation, T&D, overhead, and general and administrative. For this reason, external benefits such as Avoided CO_2, Avoided SO_2 and NO_X, and Avoided Water and Land Impacts do not apply to the UCT. Utilities in New York do not currently receive incentives for decreased CO_2 or other environmental impacts. Benefits related to avoided outages would go to customers and not utilities, so this benefit also does not apply to the UCT.

Participant DER Cost and Lost Utility Revenue are not considered in the UCT because the cost of the DER is not a utility cost and any reduced revenues from DER are made up by non-participating DER customers through the utility's revenue decoupling mechanism or other means.

A.2.3 Rate Impact Measure

Table A-7. Rate Impact Measure

Cost Test	Perspective	Key Question Answered	Calculation Approach
RIM	Ratepayer	How will utility rates be affected?	Compares utility costs and utility bill reductions with avoided electricity and other supply-side resource costs

The RIM test can address rate impacts to non-participants. External benefits such as Net Avoided CO2, Net Avoided SO2 and NOx, and Avoided Water Impact and Avoided Land Impacts do not apply to the RIM as they do not directly affect customer rates. Benefits related to avoided outages go to customers but, again, would have no effect on rates.

Participant DER cost does not apply to the RIM because the cost of the DER is not a utility cost. However, any reduced revenues from DER are included as increased costs to other ratepayers as Lost Utility Revenue because of revenue decoupling or other means that transfer costs from participants to non-participants.

A.2.4 Participant Cost Test

Table A-8. Participant Cost Test

Cost Test	Perspective	Key Question Answered	Calculation Approach
PCT	Participant	How will participant costs be affected?	Compares the costs incurred by the participant to fund programs or measures not provided by the utility including equipment and participation costs assumed by DER providers or participants

The PCT addresses the costs and benefits associated with the participant for a project or measure that are analyzed in the BCA. Participants can include residential, commercial, and/or industrial customers relative to the Utility. Participant benefits are mostly driven by incentives paid by the Utility or government, tax credits, and bill savings. The benefit categories include Net Avoided Outage Costs, Lost Utility Revenue, Net Non-Energy Benefits, and Utility Incentives.

Participant DER Cost is the only cost for the PCT, which can include equipment and installation costs as well as ongoing O&M costs. All other cost streams are covered by the utility and ratepayers.

A.3 Utility-Specific Assumptions

This section includes PSEG Long Island-specific data. The discount rate is set by LIPA and reflects the PSEG Long Island cost of capital, which is shown in the table below.

Due to the recent NENY Orders focus on money-out-the-door (MOTD), PSEG Long Island will treat benefits as Direct Services along with rebates and incentives in the EE BCA Model. Administrative fees are net of these Direct Services. A $/MMBtu approach was used to allocate direct service costs to measures (except where a $500 per unit assumption including installation was made for income-qualified customers).

Table A-9. PSEG Long Island Weighted Average Cost of Capital (WACC)

Regulated Rate of Return	Source
6.33%	LIPA

PSEG Long Island-specific system annual average loss data is shown in **Table A-10**.

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Table A-10. PSEG Long Island Loss Data

System	Variable Loss Percent	Fixed Loss Percent
Energy	N/A	5.67%
Demand	N/A	7.19%

Source: PSEG Long Island Transmission & Distribution (T&D) Group

PSEG Long Island-specific system-level marginal costs of service for the period of 2025 through 2044 are presented below in **Table A-11.** The avoided carbon costs are incremental to the carbon coefficient embedded in the avoided marginal energy costs.

Table A-11. PSEG Long Island System Average Marginal Costs of Service

Year	Marginal Energy Cost $/kWh	Marginal Capacity Cost $/kW-Year	Avoided Cost of Carbon $/kWh Saved
2025	52.13	66.90	0.02741
2026	56.00	69.31	0.02741
2027	46.34	64.15	0.02741
2028	49.03	58.21	0.02741
2029	51.24	56.49	0.02741
2030	50.93	50.37	0.02741
2031	47.18	43.67	0.02741
2032	46.62	39.40	0.02741
2033	45.71	42.21	0.02741
2034	47.49	46.57	0.02741
2035	49.39	65.35	0.02741
2036	52.08	89.04	0.02741
2037	56.24	106.27	0.02741
2038	59.30	123.83	0.02741
2039	65.10	140.31	0.02741
2040	68.47	152.08	0.02741
2041	71.84	161.97	0.02741
2042	74.82	170.44	0.02741
2043	74.77	176.49	0.02741
2044	78.74	179.31	0.02741

Source: PSEG Long Island, Resource Planning Group

Appendix B. Operationalized and Completed Utility 2.0 Initiatives

Once the scope of a Utility 2.0 initiative and all of its milestones, deliverables, and tasks are completed, the initiative is no longer considered active within the Utility 2.0 Program. There are two potential pathways for an initiative at this stage. The project is either considered 1) Completed or 2) Operationalized.

A completed Utility 2.0 initiative does not require future Utility 2.0 or core PSEG Long Island funding. The scope and budget for an initiative with this status are effectively fulfilled and complete, respectively. Utility 2.0 initiatives listed as Operational in status transitioned, or will transition, to core operations and base budget reporting. Performance tracking and reporting will only continue for projects that are currently in an Active status in the Utility 2.0 Program. **Table B-1** defines all project status designations assigned to Utility 2.0 initiatives as created by the PMO in 2022.

Table B-1. Utility 2.0 Initiative Status Definitions

Status	Definition
Proposed	A newly requested initiative submitted via the annual Utility 2.0 Plan
Active	An initiative leveraging Utility 2.0 funding and fulfilling Utility 2.0 regulatory reporting requirements
On Hold	An initiative not currently spending Utility 2.0 funding or reporting activity
Operational	An initiative that has met its Utility 2.0 scope and is transitioning to PSEG Long Island core operations, including all 2018 AMI projects, which may require ongoing base budget funding
Completed	An initiative that has met its Utility 2.0 scope and does not require future Utility 2.0 or base budget
Canceled	An initiative with no future Utility 2.0 spending or activity to report

By the end of 2022, 13 initiatives proposed in the 2018, 2019, and 2020 Utility 2.0 Plans completed their scope and objectives within the Utility 2.0 Program and transitioned into Operational status effective January 1, 2023. By the end of 2023, two additional initiatives completed their scope and objectives within the Utility 2.0 Program and transitioned to Operational status effective January 1, 2024. At the time of the 2025 Utility 2.0 Plan submission, one Active project transitioned into Operational status in 2025.

Although the original scope of these initiatives was met, these initiatives have ongoing budgetary requirements to maintain, support, improve, and continue to operate services. Moving forward, PSEG Long Island will continue to transition Utility 2.0 initiatives into its core operations as needed. A list of complete and operational Utility 2.0 initiatives from 2022 through 2025 can be found in **Table B-2**. Initiatives are organized based on historical Utility 2.0 and DPS priority areas.

Table B-2. Operational and Completed Utility 2.0 Initiatives

Year	Demand and Grid-Edge Flexibility	Moving Towards a Zero Emissions Grid	Customer Insights and Analytics
2022	• BTM Storage with Solar Program • Super Savers North Bellmore	• Conservation Voltage Reduction (CVR) Program • Increasing Hosting Capacity Study	

2023	• Locational Value Study
	• Non-Wires Alternatives (NWA) Planning Tool
	• NWA Process Development
	• Rate Modernization – TOU
		• Utility of the Future Team
		• Hosting Capacity Maps – Phase 3
			• AMI Technology and Systems
			• AMI Customer Engagement
			• AMI-Enabled Capabilities:
			  ○ Customer Experience Tools – C&I Portal
			  ○ Revenue Protection (Remote Connect Switch)
			• Data Analytics
			• Next Generation Insights
			• Project Implementation Support (PMO)

2024	• Super Savers Patchogue	• EV + Storage Hosting Capacity Maps	• DER Visibility Platform
2025	• Residential Energy Storage System Incentive		

Orange Text: Completed Utility 2.0 Initiatives

Residential Energy Storage System Incentive Program

The Utility 2.0 Residential Energy Storage System Incentive Program was a continuation of the Utility 2.0 BTM Solar Plus Storage Program and was developed to support NYSERDA's existing Long Island Single-Family Residential Incentive Program, providing customers with financial support for purchasing and installing energy storage systems (ESS). Upfront incentives were to be made available for residential customers to install ESS paired with new or existing solar and customer acquisition would be driven by participating contractors and supported by PSEG Long Island.

In early 2024, NYSERDA committed to replenishing Block 2 of its incentive funding with an additional $600,000, which pushed back the start date of the Utility 2.0 Residential Energy Storage System Incentive Program to 2025. PSEG Long Island was scheduled to make Block 3 of the incentive funding available to customers once the replenished NYSERDA incentive Block 2 funds were depleted ($383,135 remains in Block 2 as of April 2025).[242] As a result, the program's Utility 2.0 O&M incentive funding of $1.5 million was re-forecasted for 2025 ($0.6 million) and 2026 ($0.9 million). Marketing budgets of $0.045 million were also revised for each year (2025 and 2026).

Following approval by the LIPA Board of Trustees, LIPA executed a Memorandum of Understanding (MOU) with NYSERDA to fund LIPA's share of the New York State's Residential and Retail Energy Storage Procurement Program. Consequently, the budget for these programs increased from $1.5 million to $4 million for the next three years and the 2025 Utility 2.0 O&M budget requested for the Residential ESS Incentive Program is no longer required.

The program transitioned to Operational in 2025 as it is no longer funded by the Utility 2.0 Program but requires ongoing program administration support from the PSEG Long Island Renewable Energy Team. PSEG Long Island and LIPA will continue to coordinate with NYSERDA, DPS, and other stakeholders on program design and implementation; however, the scope and funding within the Utility 2.0 Program for this program is no longer applicable.

2024 Operational Project Spend (financed outside of Utility 2.0 Program)

In 2024, customer incentives for the Residential Energy Storage System Incentive Program continued to be funded by NYSERDA. As a result, the Utility 2.0 status of the program was On Hold and no Utility 2.0 funds were spent in 2024. Ongoing maintenance and savings for the Super Savers Demand Response programs will continue until September 30, 2025. Payments to the contractor for load relief will be made at the end of each capability period, running from May 1st to September 30th in 2024 and 2025. Third-party support was required in 2024 to maintain and update the EV and Storage Hosting Capacity Maps.

[242] NYSERDA Retail and Residential Incentive Dashboard. (*See* **Appendix E** for URL address).

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Table B-3. 2024 Project Spend for Operational Projects (financed outside of the Utility 2.0 Program)

Initiative	2024 Status	2025 Status	Category	2024 Actual ($)
Residential Energy Storage System Incentive Program	On Hold	Operational	O&M	–
Super Savers – Patchogue	Operational	Operational	O&M	67,280
Super Savers – North Bellmore	Operational	Operational	O&M	11,855
EV and Storage Hosting Capacity Maps	Operational	Operational	Capital	2,100
Total				**81,235**

Appendix C. LIPA and PSEG Long Island Structure

As the owner of the system, LIPA has the means to raise capital and plays an extensive oversight role. Oversight is bolstered by DPS, the New York State utility regulatory body that provides a due diligence and advisory role to LIPA regarding retail rates and the content and direction of the Utility 2.0 programs.

Long Island Power Authority

LIPA is a New York Public Authority that owns the electric T&D system on Long Island, New York. LIPA provides electric service to approximately 1.1 million customers in Nassau and Suffolk Counties and on the Rockaway Peninsula in Queens. LIPA acquired responsibility for electric services on Long Island in 1998. At that time, LIPA acquired the electric T&D assets of Long Island Lighting Company (LILCO), KeySpan Corporation acquired LILCO's natural gas distributions assets, and LILCO's electric generating assets on Long Island. LIPA does not provide natural gas service or own any on-island generating assets.

LIPA, as the owner of the utility plant, retains the ultimate authority and control over the assets comprising the T&D System and as such has continuing oversight responsibilities and obligations with respect to the operation and maintenance of the T&D System, under the direction of the LIPA Board of Trustees. LIPA must obtain approval from the New York State Comptroller's Office for contracts in excess of $50,000. LIPA is also subject to the State Administrative Procedure Act, the Public Authorities Law, the State Finance Law, and various New York State Executive Orders.

LIPA Board of Trustees

LIPA is governed by a Board of Trustees (LIPA Board) consisting of nine members appointed by the Governor, the President of the Senate, and the Speaker of the Assembly. The LIPA Board approves the electric charges and budgets and has policy making, oversight and regulatory obligations for the Long Island T&D system.

PSEG Long Island (Service Provider)

PSEG Long Island is a wholly owned subsidiary of PSE&G headquartered in Newark, New Jersey. PSEG Long Island is fully dedicated to LIPA's operations and provides operations, maintenance, and related contract services for the T&D system, including:

- T&D system operations – electric transmission, distribution, engineering, system planning, and load serving activities for safe and reliable operation and maintenance of the T&D system

- Capital planning development and execution of approved annual capital budget
- Management of rates, tariffs, and load forecasting functions, including performance of system revenue requirement
- Planning, deployment, and oversight of BEE programs
- Management of all financial systems and reporting related to T&D operation
- Legal, regulatory, and treasury related to T&D operation
- Interaction with NYISO and its energy market
- Contract administration for LIPA owned or contracted generation assets
- Community and governmental relations related to T&D operation
- Customer care, billing, and collections.
- Performance measurement and reporting

The costs of operating and maintaining the Authority's T&D system incurred by PSEG Long Island are paid by LIPA. PSEG Long Island is paid a management fee and may earn incentives related to specified performance metrics outlined in the Operation Services Agreement. The structure is symmetrical where PSEG Long Island can earn an upward incentive and can, under certain circumstances, be assessed a penalty against the fixed component of the Management Services Fee.

The Second Amended & Restated Operating Services Agreement (Second A&R OSA) has a term of 12 years expiring on December 31, 2025, with a provision allowing for a multi-year extension. As the Service Provider, PSEG Long Island represents the LIPA system, managing all external branding, customer interactions, and public communications.

The operating business is divided between PSEG Long Island ManageCo that contains the senior management personnel, and ServCo that contains the balance of the employees. ManageCo operates as long as PSEG Long Island serves as the Service Provider, while ServCo, directed by ManageCo, would continue to support the successor Service Provider.

In December 2024, the LIPA Board approved a five-year Power Supply Management and Fuel Supply Management Agreement with The Energy Authority (TEA). TEA will be responsible for the procurement and supply of fuel and electricity for LIPA starting in 2026.[243]

[243] American Public Power Association: LIPA Board of Trustees Approves Power and Fuel Supply Agreement with The Energy Authority. (*See* **Appendix E** for URL address).

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New York Department of Public Service (DPS)

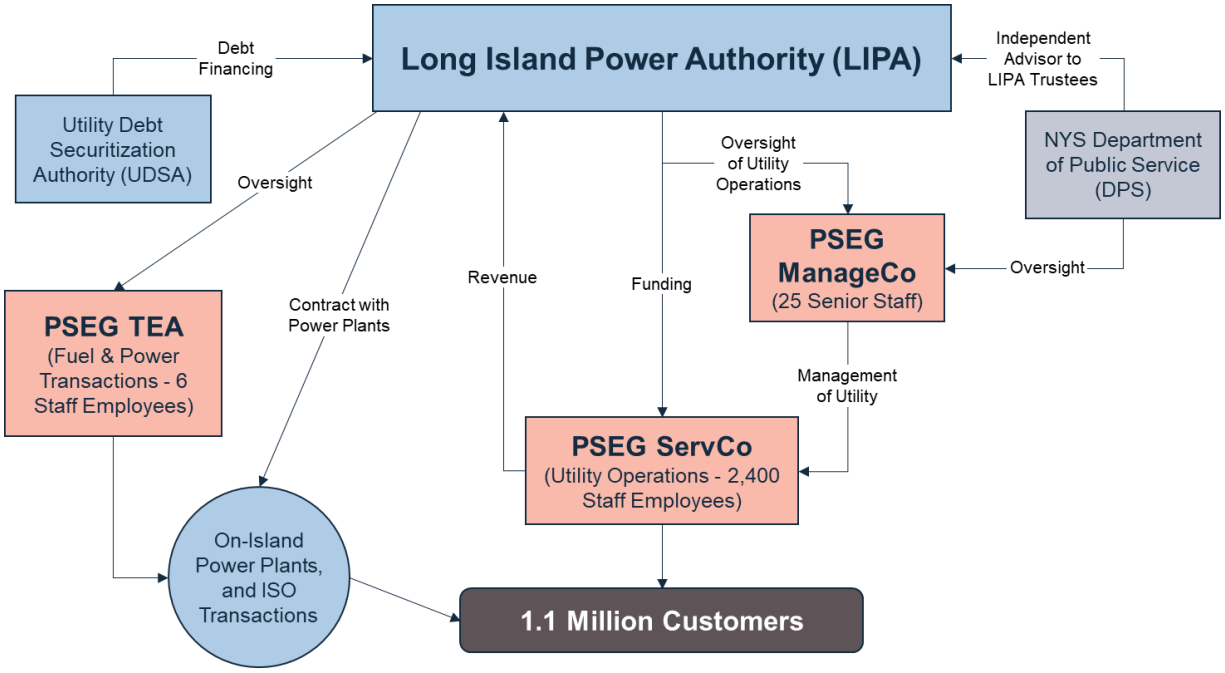
The DPS, as the state utility regulator and implementing agency for REV, plays a vital advisory role with respect to PSEG Long Island's annual Utility 2.0 Plan review. The amended LIPA Reform Act requires LIPA to submit its annual Utility 2.0 Plan to the New York DPS for review. Public Service Law §§3-b(3)(a) and (g), authorizes New York DPS to review and make recommendations to LIPA with respect to rates and charges, including those related to BEE and renewable energy programs, and more specifically, to review and make recommendations with respect to any proposed plan submitted by LIPA or its Service Provider related to implementation of such plans.

Consistent with the direction set out in the Second A&R OSA, PSEG Long Island actively engages with DPS in the development of each year's plan update, seeking input throughout to foster alignment in terms of the direction of the plan across LIPA, DPS, and PSEG Long Island. Each year the findings and recommendations provided by New York DPS is a critical step to the advancement of the program.

LIPA's Public-Private Partnership Structure

Figure C-1 depicts LIPA's Public-Private Partnership Structure.

Figure C-1. LIPA's Public-Private Partnership Structure



Risks Managed by the Parties

Ultimately, LIPA owns all risks of the Utility. Including those managed by PSEG Long Island as service provider and those that are managed by LIPA.

Managed by LIPA:

- Strategic direction of the organization, electric rates, and budgets
- Risk management – ultimately responsible to protect the value of the system
- System ownership – ultimately responsible for the condition of the system
- Cash management – including issuance and management of debt to fund capital expenditures Long-term contracts – execute long-term power supply contracts
- Grant eligibility – qualify for and comply with federal and state grants

Managed by the Service Provider:

- Customer and Brand Reputation – face of the Utility
- Electrical System reliability and service standards within the First and Second A&R OSA[244]
- Customer Experience and Satisfaction within the First and Second A&R OSA
- BEE and Distributed Generation within the First and Second A&R OSA
- Administers Power Supply and Clean Energy Standard Procurements

[244] See First A&R OSA and Second A&R OSA. (*See* **Appendix E** for URL address).

Appendix D. Acronyms and Abbreviations

ACC	Advanced Clean Cars
ACCA	Air Conditioning Contractors of America
ACE	Avoided Cost of Energy – (analogous to LBMP)
ACT	Advanced Clean Trucks
AGCC	Avoided Generation Capacity Cost
AMI	Advanced Metering Infrastructure
AMI	Area Median Income
ASHP	Air Source Heat Pump
ASHRAE	American Society of Heating, Refrigerating and Air Conditioning Engineers
ASPE	American Society of Plumbing Engineers
AWHP	Air-to-Water Heat Pump
BCA	Benefit-Cost Analysis
BDT	Blower Door Test
BE	Building Electrification
BEE	Building Efficiency and Electrification
BEEM	Building Efficiency and Electrification Model
BESS	Bulk Energy Storage System
BEV	Battery Electric Vehicle
BMS	Building Management System
BOC	Building Operator Certification

BOMA	Building Owners and Management Association
BOP	Balance of Plant
BPCA	Building Performance Contractors Association
BPI	Building Performance Institute
BTM	Behind-the-Meter
Btu	British thermal unit
CAC	Climate Action Council
ccASHP	Cold Climate Air Source Heat Pump
C&I	Commercial and Industrial
CDG	Community Distributed Generation
CEITC	Clean Electricity Investment Tax Credit
CEP	Commercial Efficiency Program
CGPP	Coordinated Grid Planning Process
CIAC	Contribution in Aid of Construction
CJWG	Climate Justice Working Group
Climate Act or CLCPA	Climate Leadership and Community Protection Act
CO_2	Carbon Dioxide
COP	Coefficient of Performance
CPP	Community Partnerships Program
CRM	Customer Relationship Management
CSMR	Customer-Side Make-Ready
CSRP	Commercial System Relief Program
CVR	Conservation Voltage Reduction

DAC	Disadvantaged Community
DCFC	Direct Current Fast Charging
DCR	Demand Charge Rebate
DEC	Department of Environmental Conservation
DER	Distributed Energy Resources
DI	Direct Install
DIY	Do It Yourself
DLC	Direct Load Control
DLM	Dynamic Load Management
DLRP	Distribution Load Relief Program
DPS	Department of Public Service
DR	Demand Response
DRV	Demand Reduction Value
DSIP	Distribution System Implementation Plan
DSA	Demand Side Analytics
DSP	Distributed System Platform
ECM	Energy Conservation Measure
EE	Energy Efficiency
EFS	Energy Finance Solutions
EISA	Energy Independence Security Act
EMS	Energy Management System
EM&V	Evaluation, Measurement, and Verification
ES	Energy Storage

ESE	Energy Service Entities
ESS	Energy Storage System
EV	Electric Vehicle
EVMR	Electric Vehicle Make-Ready Program
EVSE	Electric Vehicle Supply Equipment
FIT	Feed-in-Tariff
FTE	Full-Time Employee
FTM	Front-of-the-Meter
G&A	General and Administrative Expenses
GHG	Greenhouse Gas
GNYADA	Greater New York Automobile Dealers Association
GSHP	Ground Source Heat Pump
GW	Gigawatt
HCR	Homes and Community Renewal
HEM	Home Energy Management
HPWH	Heat Pump Water Heater
HVAC	Heating, Ventilation, and Air Conditioning
IC	Integrated Controls
IEDR	Integrated Energy Data Resource
IGSHPA	International Ground Source Heat Pump Association
IR	Interrogatory Request
IRP	Integrated Resource Planning
ISC	Index Storage Credit

IT	Information Technology
IVR	Interactive Voice Response
JU	Joint Utilities
KPI	Key Performance Indicator
kW	Kilowatt
kWh	Kilowatt-Hour
L1	Level 1 (EV Chargers)
L2	Level 2 (EV Chargers)
LBMP	Location-Based Marginal Pricing
LDV	Light-duty Vehicle(s)
LEED	Leadership in Energy Environmental Design
LF	Load Factor
LIBI	Long Island Building Institute
LIHTC	Low-income Housing Tax Credits
LILCO	Long Island Lighting Company
LIPA	Long Island Power Authority
LIRR	Long Island Railroad
LMI	Low-to-Moderate Income
LMMBtu-e	Lifetime Million British Thermal Units (Btu)-equivalent
LSRV	Locational System Relief Value
m	Meter
MAC	Major Account Consultant(s)
ME&O	Marketing, Education, and Outreach

MHDV	Medium- and Heavy-Duty Vehicle(s)
MMBtu	Million British Thermal Units (Btu)
MOTD	Money-out-the-door
MOU	Memorandum of Understanding
MSA	Master Services Agreement
MUD	Multi-Unit Dwelling
MW	Megawatt
MWh	Megawatt-Hour
NDA	Non-Disclosure Agreement
NEEP	Northeast Energy Efficiency Partnership
NENY	New Efficiency: New York
NESP	National Energy Screening Project
NPV	Net Present Value
NWA	Non-Wires Alternatives
NYISO	New York Independent System Operator
NYS	New York State
NYSERDA	New York State Energy Research and Development Authority
OEM	Original Equipment Manufacturer
O&M	Operations and Maintenance
OSA	Operations Services Agreement
OSC	Office of State Control
PCT	Participant Cost Test
PDF	Portable Document Format

PHEV	Plug-in Hybrid Electric Vehicle
PMO	Project Management Office
PON	Program Opportunity Notice
PPA	Power Purchase Agreement
PSC	Public Service Commission
PSEG	Public Service Enterprise Group Incorporated
PV	Photovoltaic
QA/QC	Quality Assurance/Quality Control
QIV	Quality Installation Verification
QPL	Qualified Products List
REAP	Residential Energy Affordability Partnership
REC	Renewable Energy Credit
REV	Reforming the Energy Vision
RFP	Request for Proposal
RGGI	Regional Greenhouse Gas Initiative
RIM	Rate Impact Measure
SCT	Societal Cost Test
SEER	Seasonal Energy Efficiency Ratio
SEM	Search Engine Marketing
SLT	Senior Leadership Team
SMI	State Median Income
SQL	Structured Query Language
TA	Technical Assistance

TE	Transportation Electrification
TEA	The Energy Authority
T&D	Transmission and Distribution
TBtu	Trillion British thermal units
TOD	Time of Day
TOU	Time of Use
TRC	The Research Corporation of New England
UCT	Utility Cost Test
US	United States
USMR	Utility-Side Make-Ready
Utility 2.0 Plan	Utility 2.0 Long Range Plan
V2G	Vehicle-to-Grid
VDER	Value of Distributed Energy Resources
VFD	Variable Frequency Drive
VRF	Variable Refrigerant Flow
WACC	Weighted Average Cost of Capital
ZEV	Zero-Emission Vehicle

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Appendix E. Footnote Citations and URL Addresses

1. Energy Efficiency and Heat Pumps are combined under Building Efficiency & Electrification in the structure of this year's Plan due to the dependencies across these priority areas.
2. Participant utilities of the JU include Consolidated Edison Company of New York, Inc., Orange and Rockland Utilities, Inc., Central Hudson Gas & Electric Corporation, Niagara Mohawk Power Corporation d/b/a National Grid, New York State Electric and Gas Corporation, and Rochester Gas & Electric Corporation. See https://jointutilitiesofny.org/ for more information on the JU.
3. See PSC Cases 25-M-0248: https://documents.dps.ny.gov/public/Common/ViewDoc.aspx?DocRefId=%7bF05AD596-0000-CB2A-93BA-002A02C52FA4%7d and 25-M-0249: https://documents.dps.ny.gov/public/Common/ViewDoc.aspx?DocRefId=%7b9028D596-0000-CBAA-80CE-FD406DF75EB1%7d
4. Funding request values are subject to change, pending the results of discussions with LIPA on the proposed 2026 budgets. Note that all BEE Program funding is O&M expense.
5. Budgetary values are rounded to the hundredths decimal place
6. DAC spend and enhancements for Transportation Electrification Programs are not included in this figure.
7. A portion of the Capital Requests for 2026 is attributed to Capital Expenditure for Utility 2.0 Project Management Office (PMO) Support for the Make-Ready Programs, EV Programs, and IEDR Platform.
8. Marketing and Outreach for the Electrical Vehicle Program is all encompassing. The Marketing and Outreach is included in the Overall O&M Total for the Electric Vehicle Program, but it is not allocated to a specific sub-project within the Electric Vehicle Program. Thus, the Electric Vehicle Programs O&M Totals do not equal the sum of the sub-project O&M Totals.
9. Reflects budget for rebates and incentives for the BEE programs.
10. A solicitation is currently open for the BEE Implementation Services Contract and pricing for the other budget components not associated with programmatic savings will be confirmed upon final contract award.
11. In addition to supporting the BEE programs, this budget supports the EE Department and includes budget for DLM Tariff Program, Utility 2.0 support provided by Guidehouse, Labor/G&A/Evaluation supporting other groups within the department.
12. Please refer to **Section 2.6** for more information on the Building Efficiency and Electrification 2030 Outlook.
13. Future targets and budgets may change due to evolving state priorities, market conditions, technology advancements, and customer adoption.
14. The duration of the approved funding for each initiative will vary depending on when the initiative was originally filed and whether the schedule for the initiative has been subsequently updated to reflect a change in the end date. For clarity, the duration of each initiative has been noted separately and individually for each initiative in **Chapters 2 through 5**.
15. New York's Climate Leadership and Community Protection Act (CLCPA or Climate Act): https://climate.ny.gov/
16. Building Decarbonization and Envelope Improvements initiatives are managed and implemented outside of the Utility 2.0 Program and Delivering Benefits to DACs is addressed at a program-wide level.
17. New York State Climate Action Council, Scoping Plan, Full Report (dated December 2022): https://climate.ny.gov/-/media/Project/Climate/Files/NYS-Climate-Action-Council-Final-Scoping-Plan-2022.pdf for more information
18. See the following resources pertaining to NYS Climate Act objectives and goals: Renewable Energy – Powering New York State: https://www.nyserda.ny.gov/Impact-Renewable-Energy. New York Advanced Clean Car Regulation: https://dec.ny.gov/news/press-releases/2022/12/dec-announces-adoption-of-advanced-clean-cars-ii-rule-for-new-passenger-cars-and-light-duty-truck-sales. 2022 New York State of the State: https://www.governor.ny.gov/sites/default/files/2022-01/2022StateoftheStateBook.pdf. New York Advanced Clean Trucks Regulation: https://www.governor.ny.gov/news/governor-hochul-announces-adoption-regulation-transition-zero-emission-trucks
19. NYS does not currently define a specific 2030 goal for energy efficiency. Should a statewide Energy Efficiency goal be determined in the future, the Utility will reassess its 2030 EE outlook and adjust, as necessary
20. Prospective benefits for DACs are called out in orange text in **Table 1-1**. DACs and goals are tracked per Disadvantaged Communities Investments and Benefits Reporting Guidance for New York State Entities: https://climate.ny.gov/-/media/Project/Climate/Files/Disadvantaged-Communities-Criteria/Disadvantaged-Communities-Reporting-Guidance.pdf

21. The Climate Act requires a statewide energy efficiency reduction of 185 TBtu from the forecasted 2025 energy demand. New York State Climate Action Council, Scoping Plan, Full Report (dated December 2022): https://climate.ny.gov/-/media/Project/Climate/Files/NYS-Climate-Action-Council-Final-Scoping-Plan-2022.pdf
22. In December of 2018, New Efficiency: New York (NENY) established a target of 31 TBtu of reduced energy consumption by the State's utilities as a share of the larger EE goal. Within that 31 TBtu goal, LIPA was assigned a proportional share of at least 3 TBtu in EE savings over the 2019-2025 period, or 7.85 TBtu when combining base-level electric savings and the incremental amount established in the December 2018 Order.
23. This statewide goal is now superseded by Advanced Clean Cars (ACC) and Advanced Clean Trucks (ACT), both of which focus on vehicle sales.
24. Value reflects Long Island's share of the overall New York State goal of 850,000 light duty vehicles registered and on the road by the end of 2025 rather than an official goal for EV adoption on Long Island.
25. Values reflect targets rather than official goals for Long Island's portion of the 2025 and 2030 Energy Storage CLCPA target.
26. Based on Long Island's share of statewide peak load (approximately 12.5%) for 2025.
27. Prospective benefits for DACs are called out in orange text in **Table 1-2.** DACs and goals are tracked per Disadvantaged Communities Investments and Benefits Reporting Guidance for New York State Entities: https://climate.ny.gov/-/media/Project/Climate/Files/Disadvantaged-Communities-Criteria/Disadvantaged-Communities-Reporting-Guidance.pdf
28. The statewide goals for 2030 for EE are still to be determined by New York State.
29. PSEG Long Island's EE target for 2030 is reflected as "TBD". Should a statewide EE goal be determined in the future, the Utility will adjust its projections as necessary to align with the state.
30. The 2030 statewide target for heat pumps is 1,000,000 housing units, which is not a part of the Climate Act and was announced by Governor Hochul during the State of the State Address. The metric for the statewide Heat Pump target shifted from installations in 2025 to dwellings for 2030 to more accurately represent Governor Hochul's 2 million electrified or electrification-ready homes plan by 2030.
31. According to the NSYERDA BEEM, Long Island's portion of the 2030 goal is estimated as 67,769 dwellings (**Section 2.1**).
32. The 2030 statewide goal is to be determined. The 2035 goal is based on Advanced Clean Cars II and reflects only EV sales.
33. The 2030 LDV forecast is updated based on 2025 DSA forecast. This forecast is lower than the one developed in 2024 due to anticipated reduction in EV tax credits.
34. Governor Hochul's 2022 State of the State Book [governor.ny.gov], at page 146.
35. This value is reflected as 'N/A' because PSEG Long Island achieving the load-share-ratio of 750 MW of Energy Storage on Long Island by the end of 2030 is dependent on the level of energy storage procured by the state and that share contracted to PSEG Long Island. Thus, PSEG Long Island is committed to contributing to the overall 2030 statewide energy storage CLCPA goal, but the achievement of this goal is reliant on the progress of the state.
36. See **Table 4-11, Section 4.3** for more information on PSEG Long Island's projected 2030 energy storage outlook.
37. Governor Hochul Announces Expanded NY-Sun Program to Achieve at Least 10 Gigawatts of Solar Energy by 2030: https://www.governor.ny.gov/news/governor-hochul-announces-expanded-ny-sun-program-achieve-least-10-gigawatts-solar-energy-2030#:~:text=On%20the%20first%20day%20of,distributed%20solar%20installed%20by%202030
38. See **Table 4-12**, **Section 4.3** for more information on PSEG Long Island's projected 2030 solar PV outlook.
39. DPS Case 16-M-0411: https://documents.dps.ny.gov/public/MatterManagement/CaseMaster.aspx?MatterCaseNo=16-M-0411
40. DPS Order 20-E-0197: https://documents.dps.ny.gov/public/Common/ViewDoc.aspx?DocRefId=%7b101C058A-0000-C45D-9CD3-A87E49DF7A99%7d
41. PSEG Long Island submitted the ZEV Conversion Plan to the DPS in December 2023. New York State Executive Order 22 was released in September 2022 directing state agencies to have 100% of their light-duty non-emergency vehicle fleets be ZEVs by 2035: https://www.governor.ny.gov/sites/default/files/2022-09/EO_22.pdf
42. This Study was conducted by LIPA and third-party consultants.
43. Phases 1 and 2 were conducted by LIPA and third-party consultants.
44. Phase 3 is being conducted by PSEG Long Island.
45. LIPA Time-of-Day Rate: https://www.lipower.org/time-of-day/#:~:text=On%20March%2029%2C%202023%2C%20the,Long%20Island%20and%20the%20Rockaways

46. As of January 2026
47. PSEG Long Island Time-of-Day Rate: https://www.psegliny.com/timeofday
48. The participation rate target is set at 85%.
49. The participation rate is defined as the calculation of the number of active enrolled customers on the TOD rates (total of 2-period and 3-period) divided by the number of active and eligible target customers.
50. New York State. Disadvantaged Communities Criteria: https://climate.ny.gov/Resources/Disadvantaged-Communities-Criteria
51. New York State. Investments and Benefits Reporting Guidance: https://climate.ny.gov/Resources/Disadvantaged-Communities-Criteria/Investments-and-Benefits-Reporting-Guidance
52. DAC enhancements for Transportation Electrification Programs and DAC spend are not included in this figure.
53. New York State Climate Justice Working Group 2023 Disadvantaged Communities Criteria Final Report: https://nam10.safelinks.protection.outlook.com/?url=https%3A%2F%2Fclimate.ny.gov%2FResources%2FDisadvantaged-Communities-Criteria&data=05%7C02%7Cblownds%40guidehouse.com%7Ccf22b26778a44cfb561208dd96eee76a%7C4ee48f43e15d4f4aad55d0990aac660e%7C0%7C0%7C638832675351051073%7CUnknown%7CTWFpbGZsb3d8eyJFbXB0eU1hcGkiOnRydWUsIlYiOiIwLjAuMDAwMCIsIlAiOiJXaW4zMiIsIkFOIjoiTWFpbCIsIldUIjoyfQ%3D%3D%7C0%7C%7C%7C&sdata=3wuFdoa5LXVUJdVyeWYDZk8UDhYKzsFg3eR0u48nGl8%3D&reserved=0. January 14, 2025. The Figure is sorted from most to least populous Regional Economic Development Council (REDC) regions. The percentage of households that live in DACs within each region may vary slightly from the percentage of tracts identifies as DACs within each region because of slight variation in the population tracts by region.
54. Regional Clean Energy Hubs Program and NYSERDA's Find Your Clean Energy Hub Tool: https://www.nyserda.ny.gov/All-Programs/Regional-Clean-Energy-Hubs, https://www.nyserda.ny.gov/All-Programs/Regional-Clean-Energy-Hubs/Find-Your-Clean-Energy-Hub-Today
55. Long Island Clean Energy Hub: https://www.lismartenergychoices.org/
56. NYSERDA Carbon Neutral Buildings Roadmap: Achieving a carbon neutral building stock in New York State by 2050.
57. Electrification-ready means a home or building is wired to accommodate the installation of future electric equipment (NEEP: https://neep.org/sites/default/files/media-files/electrification_and_energy_codes.pdf)
58. 2022 New York State of the State Book
59. New Efficiency: New York Order: https://www.nyserda.ny.gov/About/Publications/New-Efficiency
60. Order authorizing Low- to Moderate-Income (LMI) Energy Efficiency and Building Electrification Portfolio for 2026-2030 (Case 25-M-0249: https://documents.dps.ny.gov/public/Common/ViewDoc.aspx?DocRefId=%7b9028D596-0000-CBAA-80CE-FD406DF75EB1%7d)
61. Order Authorizing Non-Low- to Moderate-Income (Non-LMI) Energy Efficiency and Building Electrification Portfolio for 2026-2030 (Case 25-M-0248: https://documents.dps.ny.gov/public/Common/ViewDoc.aspx?DocRefId=%7bF05AD596-0000-CB2A-93BA-002A02C52FA4%7d)
62. The May 2025 Orders supersede the July 2023 NE: NY Order and provide further guidance on the strategic framework along with the budget-bounded approach to advancing the CLCPA targets while limiting ratepayer impact.
63. According to the outputs of the NYSERDA BEEM analysis, Long Island's service territory is expected to yield a target of 67,769 dwellings with heat pumps by 2030.
64. MOTD is calculated based upon PSEG Long Island's interpretation of the DPS orders but is subject to further revision as future guidance on how this ratio should be calculated is issued.
65. Energy Efficiency and Building Decarbonization - NYSERDA: https://www.nyserda.ny.gov/Impact-Energy-Efficiency-and-Building-Decarbonization#:~:text=Achieving%20Climate%2DFriendly%20Buildings&text=By%202030%2C%20New%20York%20State,and%20paired%20with%20energy%20efficiency
66. This does not include energy savings (MMBtu) resulting from the NYS Homes and Community Renewal (HCR) program. Upon implementation, the HCR program will provide additional energy savings.
67. This spending does not reflect investment to be made in Disadvantaged Communities.
68. Reflects budget for rebates and incentives for the BEE programs.
69. A solicitation is currently open for the BEE Implementation Services Contract and pricing for the other budget components not associated with programmatic savings will be confirmed upon final contract award.
70. As mentioned previously, this budget supports the activities for the overall EE Department (i.e., outside of BEE), including DLM Tariff Program, Utility 2.0 support provided by Guidehouse, Labor/G&A/Evaluation supporting other groups within the department.

71. This value reflects the number of De-superheaters some customers prefer to install with their GSHP system.
72. At the time of this Utility 2.0 Plan, PSEG Long Island is in the midst of a procurement process for the provision of implementation services for its BEE programs as the current contract with TRC will expire at the end of 2025. While no award has been made, the bids received were competitive and the budget set forth in this filing represents the energy savings (MMBtu) to occur for 2026.
73. Long Island Regional Clean Energy Hub: https://www.lismartenergychoices.org/
74. https://hcr.ny.gov/clean-energy-initiative
75. Case 25-M-0249, page 74.
76. Case 25-M-0249, Page 39.
77. Case 25-M-0249, Page 77.
78. Case 25-M-0249, Page 82.
79. Ground Source Heat Pump De-superheaters are in units, not dwelling units.
80. PSEG Long Island does not offer incentives for Ground Source Heat Pump Water Heaters.
81. PSEG Long Island does not offer additional incentives to LMI customers for Ground Source Heat Pump Water Heaters.
82. Case 18-M-0084, Pages 102-103.
83. TRC Captures is an application processing software and database.
84. https://hcr.ny.gov/clean-energy-initiative
85. Sustainability Guidelines. https://hcr.ny.gov/sustainability-guidelines
86. New York State Department of Environmental Conservation. 2022 Statewide GHG Emissions Report: https://www.dec.ny.gov/docs/administration_pdf/ghgsumrpt22.pdf
87. New York Advanced Clean Car Regulation. DEC Announces Adoption of Advanced Clean Cars II Rule for New Passenger Cars and Light-Duty Truck Sales – NYSERDA: https://www.nyserda.ny.gov/About/Newsroom/2022-Announcements/2022-12-29-DEC-Announces-Adoption-of-Advanced-Clean-Cars-II
88. 2022 New York State of the State: https://www.governor.ny.gov/sites/default/files/2022-01/2022StateoftheStateBook.pdf
89. New York Advanced Clean Trucks Regulation. Governor Hochul Announces Adoption of Regulation to Transition to Zero-Emission Trucks | Governor Kathy Hochul (ny.gov): https://www.governor.ny.gov/news/governor-hochul-announces-adoption-regulation-transition-zero-emission-trucks
90. In 2025, the EV Program is consisted of the Residential Charger Rebate Program, DCFC Incentive Program, and EV Phase-In Rate.
91. New York Advanced Clean Car Regulation. DEC Announces Adoption of Advanced Clean Cars II Rule for New Passenger Cars and Light-Duty Truck Sales - NYSERDA: https://www.nyserda.ny.gov/About/Newsroom/2022-Announcements/2022-12-29-DEC-Announces-Adoption-of-Advanced-Clean-Cars-II
92. 2022 New York State of the State: https://www.governor.ny.gov/sites/default/files/2022-01/2022StateoftheStateBook.pdf
93. New York Advanced Clean Trucks Regulation. Governor Hochul Announces Adoption of Regulation to Transition to Zero-Emission Trucks | Governor Kathy Hochul (ny.gov): https://www.governor.ny.gov/news/governor-hochul-announces-adoption-regulation-transition-zero-emission-trucks
94. Case 18-E-0138 Proceeding on Motion of the Commission Regarding Electric Vehicle Supply Equipment and Infrastructure, Order Establishing Electric Vehicle Infrastructure Make-Ready Program and Other Programs (issued July 16, 2020): https://documents.dps.ny.gov/public/MatterManagement/CaseMaster.aspx?MatterCaseNo=18-E-0138
95. More details on the Make-Ready Program application are available on the PSEG Long Island website: https://www.psegliny.com/saveenergyandmoney/greenenergy/ev/commercialcustomers/makeready
96. The same USMR and CSMR definitions apply to both EV Make-Ready Program and Fleet Make-Ready Program.
97. Additional details on the Fleet Advisory Service can be found in 2022 Utility 2.0 Long Range Plan & Energy Efficiency Plan: https://documents.dps.ny.gov/public/Common/ViewDoc.aspx?DocRefId=%7b70B5E639-AA01-4967-835B-1F84F159AA1B%7d
98. According to the Atlas Public Policy EvaluateNY Tool, as of March 2025, Long Island's EV penetration is 3.1% as compared to NYS as a whole at 2.1% penetration: https://atlaspolicy.com/evaluateny/
99. PSEG Long Island conducts annual assessment of the EV market to address fluctuating growth trends through updated port targets and budget reconciliation.

100. This figure is calculated using the 2030 LDV forecast of expected EVs on the road (~275,000) over the total number of expected LDVs on the road, both EV and non-EV (~1,800,000).
101. EVI-Pro Lite projects consumer demand for EV charging infrastructure. Some assumptions PSEG Long Island utilized include the percentage of at-home charging, estimated share of vehicle type (ex. Sedans versus SUVs) and EV type (PHEVs versus BEVs), and third-party consultant industry insights: https://afdc.energy.gov/evi-x-toolbox#/evi-pro-ports
102. "Energized" is defined as the total population of DCFC and L2 ports that have meters set and put into service in a given year.
103. All projects that enroll in the EV Make-Ready Program must commit to complete by 2031.
104. Even though the program is intended to end in 2030, some projects may spillover into 2031.
105. Table values may not add to total value due to rounding.
106. Average 3 ports per project.
107. Actual program data as of December 31, 2024.
108. See additional detail on PSEG Long Island's website: https://www.psegliny.com/en/saveenergyandmoney/GreenEnergy/EV/MakeReady
109. DCFC ports eligible through the program must be above a threshold of 100 kW.
110. The CSMR incentive cap for multi-family projects is $100,000.
111. Additional details can be found in 2022 Utility 2.0 Long Range Plan & Energy Efficiency, Beneficial Electrification, and Demand Response Plan: https://documents.dps.ny.gov/public/Common/ViewDoc.aspx?DocRefId=%7b70B5E639-AA01-4967-835B-1F84F159AA1B%7d
112. Specific to PSEG Long Island.
113. Regardless of DAC status, projects that are only for private use would fall under the 50% Tier.
114. These estimates are based on projects that may be pre-approved each year. Some projects may require more than a year to be completed. Additionally, the project size will be determined based on nameplate capacity.
115. For both offers, eligibility is focused on the entity that operates the vehicles, not the entity that owns the vehicles. This allows for vehicle leasing by the operators, or other financing arrangements that might impact ownership status.
116. For both offers, eligibility is focused on the entity that operates the vehicles, not the entity that owns the vehicles. This allows for vehicle leasing by the operators, or other financing arrangements that might impact ownership status.
117. See more details in the MHD Make Ready Study which can be found in 2023 Utility 2.0 Plan: https://documents.dps.ny.gov/public/Common/ViewDoc.aspx?DocRefId={B04E0D89-0000-C538-A209-BB33210CE2E1}
118. To be paid by the Utility as reimbursement at the end of construction, after final inspection.
119. No customer deposit or CIAC is required.
120. To qualify for the higher CSMR coverage, the project location needs to be within a DAC.
121. These incentives and tax credits may go away at the federal level and the status is being monitored by PSEG Long Island.
122. LIPA had signed an MOU with NYSERDA to award up to $7.5 million towards this effort until April 2026. Circuit (an EV shuttle service provider) was selected for the NYSERDA Clean Transportation Prize in 2020.
123. The budget request for Fleet Advisory Service includes one FTE (Fleet Advisor) and the Fleet Advisory Online Tool.
124. Budgetary values presented in the tables below are rounded to the hundredths decimal place.
125. A portion of the Capital Forecasts for 2025-2027 are attributed to Capital Expenditure for Utility 2.0 PMO Support on the Make-Ready Programs.
126. See additional information on Fleet Make-Ready Program performance tracking in the section below.
127. EV Make-Ready BCA Target was updated based on 2024 EV Make-Ready Program Forecast which incorporated actuals through 2023.
128. Percentage Realized is based on updated BCA Target.
129. Percentage Realized is based on updated BCA Target.
130. This list may be updated based upon potential program design updates.
131. TRC Captures is an application processing software and database.

132. See examples of Energy-Star Rated L2 chargers here: https://www.energystar.gov/productfinder/product/certified-evse/results
133. With the recent announcement of the Energy Star program closing, PSEG Long Island will utilize an EPRI database that include eligible L2 chargers with smart capabilities.
134. Those on the Household Assistance Rate.
135. PSEG Long Island forecasts issuing 2,000 rebates per year from 2026 to 2028. The number of rebates reserved for DAC customers is 35% of 2,000 rebates (700 rebates), which represents 68% of the program incentive budget.
136. See additional information on Long Island housing. PSEG Long Island supports multi-family EV charging infrastructure upgrades through the EV Make-Ready Program: https://next.newsday.com/long-island/data/long-island-the-land-of-single-family-homes/#:~:text=Nine%20out%20of%20ten%20of,family%20homes)%20as%20of%202020.
137. PSEG Long Island's voluntary time of use rates are no longer available for new enrollment; however, existing customers on these rates can remain on their rate.
138. See additional information on EV owners and TOD rates here: https://www.psegliny.com/en/TimeOfDay/timeofdaytips/EVcharging
139. Case 22-E-0236, Proceeding to Establish Alternatives to Traditional Demand-Based Rate Structures for Commercial Electric Vehicle Charging, Order Establishing Framework for Alternatives to Traditional Demand-Based Rate Structures (issued January 19, 2023).
140. There will be a 60-day grace period to remain on DCR for customers not responsive to the transition notifications to the EV Phase-In Rate.
141. Annual load factor computation is the ratio of annual energy consumption to the product of the simultaneous charging capacity (when available, otherwise nameplate capacity) and 8,760 hours (or 8,784 hours during a leap year).
142. The third-party consultant provides coordination and planning support, business process design, and change management support.
143. PSEG Long Island anticipates that the rate will go live in October 2025 for Rate 285 customers. A needs assessment for 2026 and 2027 were developed for post go-live support for Rate 285 customers and implementation for Rate 281 customers.
144. Budgetary values presented in the tables are rounded to the hundredths decimal place.
145. A portion of the Capital Forecasts for 2024-2026 are attributed to Capital Expenditure for Utility 2.0 PMO Support on the EV Programs.
146. The DCFC Incentive Program was extended to provide demand charge rebate until the EV Phase-In Rate becomes available. As such, the original program forecast no longer applies. The updated program forecast is detailed in the supporting budgetary documentation.
147. See **Section 3.3.2.1** for additional information regarding increasing program participation for DACs.
148. According to the Atlas Public Policy EvaluateNY Tool, as of March 2025, Long Island's EV penetration is 3.1% as compared to NYS as a whole at 2.1% penetration: https://atlaspolicy.com/evaluateny/
149. "Timer peak" is an unintentional synchronizing effect on EV charging patterns being observed when EV charging is scheduled to coincide with the optimal TOU window or to begin charging simultaneously at the start of the off-peak pricing period in response to lower off-peak pricing. See more information here: https://www.nrel.gov/docs/fy22osti/82738.pdf
150. For additional information regarding the DLM program, please refer to **Section 4.2.3**.
151. For additional information regarding EV customer participation in the DLM program, please refer to **Section 4.2.3**.
152. For additional information regarding the VDER tariff, please refer to **Section 4.2.1.3**. NYSERDA's VDER Value Stack provides information on the components of the VDER Value Stack and how to calculate compensation: https://www.nyserda.ny.gov/All-Programs/NY-Sun/Contractors/Value-of-Distributed-Energy-Resources
153. Users wishing to access the hosting capacity map are required to submit a Hosting Capacity Map Access Request form to PSEG Long Island and pass a CLEAR check (a simplified background check). Once the process is completed, an email notification will be sent with credentials and instructions.
154. This summary represents PSEG Long Island's current vision for transportation electrification strategic initiatives and is subject to change.
155. The 2030 Outlook budget forecast does not take into account the portion attributed to capital expenditure for Utility 2.0 PMO Support on the TE Programs.

156. The 2030 Outlook Forecast includes forecasted budget for Managed Charging pilots/programs in 2027 and beyond which is not included in 2025 Utility 2.0 budget reconciliation for 2027.
157. Although the program is intended to end in 2030, some projects may spillover into 2031.
158. The 2030 Outlook budget forecast does not take into account the portion attributed to capital expenditure for Utility 2.0 PMO Support on the TE Programs.
159. Assumes 4 Level 2 ports and 4 DCFC ports per project.
160. Funded through power supply charge.
161. EV Phase-In Rate development.
162. Demand Charge Rebate, Residential Charger Rebate, admin/labor costs.
163. Renewable Energy – Powering New York State: https://www.nyserda.ny.gov/Impact-Renewable-Energy#:~:text=Powering%20New%20York%20State%20With%20Offshore%20Wind&text=By%202030%2C%20New%20York%20will,accessible%20to%20all%20New%20Yorkers.
164. DPS - State of Storage in New York: https://www.google.com/url?sa=t&rct=j&q=&esrc=s&source=web&cd=&ved=2ahUKEwj58tjJkOqNAxVf6ckDHdRSIDIQFnoECBgQAw&url=https%3A%2F%2Fdocuments.dps.ny.gov%2Fpublic%2FCommon%2FViewDoc.aspx%3FDocRefId%3D%257BF03F3A96-0000-CE19-A1B9-03455BB61011%257D%23%3A~%3Atext%3DThe%2520total%2520amount%2520of%2520energy%2C2030%2520target%2520of%25206%252C000%2520MW.&usg=AOvVaw0FvisRBa21MURWV_26zcrp&opi=89978449
165. DPS and NYSERDA - New York's 6 GW Energy Storage Roadmap: https://www.google.com/url?sa=t&rct=j&q=&esrc=s&source=web&cd=&ved=2ahUKEwiU8-KCkeqNAxUU48kDHeefJzEQFnoECBoQAQ&url=https%3A%2F%2Fwww.nyserda.ny.gov%2F-%2Fmedia%2FProject%2FNyserda%2FFiles%2FPrograms%2FEnergy-Storage%2FEnergy-Storage-Roadmap.pdf&usg=AOvVaw01Q1TicdlD0JCxjkwSDcau&opi=89978449
166. New York-Sun Upstate + Long Island Program Manual: https://www.google.com/url?sa=t&rct=j&q=&esrc=s&source=web&cd=&cad=rja&uact=8&ved=2ahUKEwjX2vqC7umNAxXThIkEHYztCREQFnoECB0QAQ&url=https%3A%2F%2Fwww.nyserda.ny.gov%2F-%2Fmedia%2FProject%2FNyserda%2FFiles%2FPrograms%2FNY-Sun%2FContractor-Resources%2Fupstate-program-manual.pdf&usg=AOvVaw1apD1GQR1QBnJkQ9p6UFhu&opi=89978449
167. New York State Climate Action Council - Scoping Plan – Full Report December 2022: https://climate.ny.gov/-/media/Project/Climate/Files/NYS-Climate-Action-Council-Final-Scoping-Plan-2022.pdf
168. New York State Climate Action Council - Scoping Plan – Full Report December 2022: https://climate.ny.gov/-/media/Project/Climate/Files/NYS-Climate-Action-Council-Final-Scoping-Plan-2022.pdf
169. New York State Climate Action Council - Scoping Plan – Full Report December 2022: https://climate.ny.gov/-/media/Project/Climate/Files/NYS-Climate-Action-Council-Final-Scoping-Plan-2022.pdf
170. Depending on the NWA location and identified circuit(s), there may be a need for a larger than a 4-hour duration battery system.
171. PSEG Long Island's Small Generator Interconnection Process: https://www.google.com/url?sa=t&rct=j&q=&esrc=s&source=web&cd=&cad=rja&uact=8&ved=2ahUKEwiE04yRqKGNAxVUvokEHdeaBLQQFnoECB0QAQ&url=https%3A%2F%2Fwww.psegliny.com%2Faboutpseglongisland%2Fratesandtariffs%2Fsgip&usg=AOvVaw3rwFMtXhYvc8e7T1ZFqWX1&opi=89978449
172. Budgetary values presented in the tables below are rounded to the thousandths / hundredths decimal places.
173. $4,000,000 ($200/kWh) is the estimated utility incentive that was used to model the BCA for this use case. The actual utility incentive will be determined during the RFP process in next year's evaluation to reflect vendor needs. The utility incentives will be paid out in one lump sum to the vendor during the ESS installation year.
174. This utility incentive cost item is not a part of the evaluation but rather reflects an estimate for the full-scale project that will be proposed in next year's Utility 2.0 Plan once a viable circuit is identified.
175. National Energy Screening Project's (NESP's) 2020 National Standard Practice Manual provides a nation-wide framework for cost-effectiveness tests: https://www.nationalenergyscreeningproject.org/national-standard-practice-manual/
176. The Clean Electricity Investment Tax Credit (CEITC) is a tax credit offering for 2025 and is assumed to continue to be offered throughout the installation period of the EES. However, given the current federal administration, it is possible that the CEITC offering could be terminated. As a result, the NPV for this benefit stream could be reduced or eliminated altogether: https://www.irs.gov/credits-deductions/clean-electricity-investment-credit
177. The $200/kWh incentive rate is estimated based off a range incentive rates ($100/kWh - $300/kWh) currently or previously offered by other JUs and NYS utilities. See NYSERDA's Retail Incentive Dashboard for more details:

https://www.nyserda.ny.gov/All-Programs/Energy-Storage-Program/Developers-and-Contractors/Residential-and-Retail-Storage-Incentives/Retail-Incentive-Dashboard The actual utility incentive will be determined during the RFP process in next year's evaluation to reflect vendor needs.

178. The most common VDER value share with the customers is 10%, the CDG Host would then receive 89% and the utilities for billing would receive 1%.
179. NYSERDA VDER Value Stack provides information on the components of the VDER Value Stack and how to calculate compensation: https://www.nyserda.ny.gov/All-Programs/NY-Sun/Contractors/Value-of-Distributed-Energy-Resources
180. IRS Clean Electricity Investment Tax Credit (CEITC) provides information on who is eligible for the credit and how to claim the credit: https://www.irs.gov/credits-deductions/clean-electricity-investment-credit
181. A supplemental $300 payment in 2024 was issued for a SPAN Panel that applied in 2023 after the updated rebate offering was released (8/17/2023).
182. Dynamic Load Management Tariff Programs Program Guidelines and Operational Procedures: https://www.google.com/url?sa=t&rct=j&q=&esrc=s&source=web&cd=&ved=2ahUKEwj1wbTZ2qaNAxWak4kEHYO7J4kQFnoECB8QAQ&url=https%3A%2F%2Fwww.psegliny.com%2Fbusinessandcontractorservices%2Fbusinessandcommercialsavings%2F-%2Fmedia%2FF9B52424E0FF48FBBD8AC4E336EDBE24.ashx&usg=AOvVaw2LwcFeiU-RrOJLNpltOUy_&opi=89978449
183. PSEG Long Island 2024 Dynamic Load Management (DLM) Program Report: https://www.google.com/url?sa=t&rct=j&q=&esrc=s&source=web&cd=&cad=rja&uact=8&ved=2ahUKEwi3lZyXwYCNAxUxv4kEHUh6BXkQFnoECBEQAQ&url=https%3A%2F%2Fdocuments.dps.ny.gov%2Fpublic%2FCommon%2FViewDoc.aspx%3FDocRefId%3D%257BC0143193-0000-C91C-96C0-04483D009B31%257D&usg=AOvVaw0etQddAbqfSnzkSKnooVEn&cshid=1746041976129533&opi=89978449
184. Enrollment is cumulative.
185. Number of devices multiplied by the average load shed per device.
186. Customers enrolled for the 2024 season, May 1 – September 30.
187. Contracted Load Relief.
188. All DLM payments are collected through the Power Supply Charge and therefore do not impact the operating budget. Five-Year forecast for CSRP/DLRP is based on an estimated 5% increase year-after-year through 2029, relative to 2025 projections. Forecast for DLC through 2027 is based on current projected customer growth (10% increase forecast), which is expected to level off in 2028 and 2029 (5% increase forecast).
189. There is strong overlap between customers enrolled in the DLRP and the CSRP, thus associated capacity (MW) for these programs are not additive.
190. BTM interconnected energy storage estimates for Long Island through EOY 2025 are based on the average of completed BTM storage the past two years (2023-2024).
191. BTM projected energy storage for Long Island for 2026 through 2030 are based on the average of completed BTM storage (residential and retail) for the past five years (2020-2024).
192. New York State Climate Action Council. Scoping Plan – Full Report December 2022: https://climate.ny.gov/-/media/Project/Climate/Files/NYS-Climate-Action-Council-Final-Scoping-Plan-2022.pdf
193. Climate Justice Working Group criteria for disadvantaged communities (DACs): https://climate.ny.gov/resources/climate-justice-working-group/
194. NYSERDA's Disadvantage Community (DAC) Map: https://www.nyserda.ny.gov/ny/Disadvantaged-Communities
195. List of Census Tracts that meet the Disadvantaged Community Criteria: https://climate.ny.gov/-/media/Project/Climate/Files/Disadvantaged-Communities-Criteria/List-of-Disadvantaged-Communities.pdf
196. Additional detail on DAC Criteria can be found on the Climate Act Website under the "Disadvantaged Communities Criteria Documents" section: https://climate.ny.gov/resources/disadvantaged-communities-criteria/
197. NYSERDA NY-Sun Upstate + Long Island Program Manual – April 2024 Update, page 19: https://www.google.com/url?sa=t&rct=j&q=&esrc=s&source=web&cd=&ved=2ahUKEwj6qbjo37iGAxWTC3kGHWbaBCMQFnoECCgQAQ&url=https%3A%2F%2Fwww.nyserda.ny.gov%2F-%2Fmedia%2FProject%2FNyserda%2FFiles%2FPrograms%2FNY-Sun%2FContractor-Resources%2Fupstate-program-manual.pdf&usg=AOvVaw1apD1GQR1QBnJkQ9p6UFhu&opi=89978449
198. Residential and Retail Storage Incentives – NYSERDA: https://www.nyserda.ny.gov/All-Programs/Energy-Storage-Program/Developers-and-Contractors/Residential-and-Retail-Storage-Incentives
199. The energy storage adoption rates (%) are calculated by dividing the number of residential or retail ESS for a New York Utility by the approximate total number of electric customers served by that New York Utility.

200. Analysis is based on publicly available information in the NYS Standardized Interconnection Requirements (SIR) Inventory (as of March 2025): https://dps.ny.gov/distributed-generation-information
201. The resulting small-scale adoption rates (%) are due to the large number of electric customers that each New York Utility serves in comparison to the small number of registered residential and retail ESS.
202. The New York IOUs incentivize retail storage projects using state funding authorized by the PSC for entities that contribute to the System Benefits Charge. LIPA is not eligible for such state funding and would have to use RGGI or internally generated funds to incentivize retail storage.
203. Note that Central Hudson and Orange & Rockland New York utilities serve far fewer electric customers than other New York State utilities.
204. Approximation based on latest available data.
205. The current expectation (as of July 1, 2025) is that the 129 MW BESS RFP will be in-service by the end of 2028, but this is heavily dependent on the resolution of supply chain, federal incentive/tax credit availability, import tax, and community storage moratorium complications, which are outside of the Utility's control.
206. Further details regarding IRP can be found at https://www.lipower.org/irp/
207. The Evolving Utility-Scale Storage Opportunity in NYISO: https://www.tyba.ai/resources/guides/isc-storage-credit-nyiso/
208. NYSERDA's Tier 1 REC and Offshore Wind REC: https://documents.dps.ny.gov/public/MatterManagement/MatterFilingItem.aspx?FilingSeq=238644&MatterSeq=48235
209. Approval of New York's Nation-Leading Six Gigawatt Energy Storage Roadmap Announced: https://www.nyserda.ny.gov/About/Newsroom/2024-Announcements/2024_06_20-Governor-Hochul-Announces-Approval-Of-New-Yorks-Nation-Leading#:~:text=The%20roadmap%20approved%20today%20by,install%20six%20gigawatts%20by%202030.%E2%80%9D
210. 20X35 Raiding New York's Distributed Solar Goal: https://www.nysolarroadmap.org/
211. Long Island Power Authority (LIPA). *2023 IRP Summary Guide*: https://www.lipower.org/irp/
212. Matter 19-02670: https://documents.dps.ny.gov/public/MatterManagement/CaseMaster.aspx?MatterCaseNo=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, Order Extending and Expanding Distributed Solar Incentives (issued Mary 14, 2020): https://documents.dps.ny.gov/public/Common/ViewDoc.aspx?DocRefId=%7bA67E946F-40B0-49C4-93CD-7BC454987CDF%7d
213. Solar Communities Feed-In Tariff V: https://www.psegliny.com/aboutpseglongisland/ratesandtariffs/tariffs/feedintariff5
214. Refer to the most recent information on PSEG Long Island's current solar portfolio here: https://data.ny.gov/Energy-Environment/Statewide-Distributed-Solar-Projects-Beginning-200/wgsj-jt5f/about_data
215. NY Powers Up First Offshore Wind Farm | South Fork Wind: https://southforkwind.com/about-south-fork-wind
216. South Fork Wind Farm Fact Sheet: https://www.lipower.org/wp-content/uploads/2025/04/South-Fork-Wind-Fact-Sheet.pdf
217. New York State Climate Action Council. Scoping Plan – Full Report December 2022:
218. Long Island Power Authority (LIPA). *2023 IRP Summary Guide*: https://www.lipower.org/irp/
219. Analysis is based on publicly available information in the NYS Standardized Interconnection Requirements (SIR) Inventory (as of March 2025): https://dps.ny.gov/distributed-generation-information
220. Long Island Press reported on extension of energy storage moratorium in Oyster Bay on April 10, 2025: https://www.longislandpress.com/2025/04/10/oyster-bay-battery-ban/ The Suffolk Times reported on the 12-month extension of the energy storage moratorium in Southold on April 16, 2025: https://suffolktimes.timesreview.com/2025/04/southold-approves-bess-moratorium-extension/
221. $4,000,000 ($200/kWh) is an estimated incentive level, which may be updated during next year's Evaluation to more accurately reflect market changes. The utility incentives will be paid out in one lump sum to the vendor during the ESS installation year.
222. The Data Access Framework adopted in this Order will serve as a single source for data access policies and provide uniform and consistent guidance on what is needed for access to, and the availability of, energy-related data. Moreover, the Framework will promote data access, while preserving all the necessary protections, to facilitate New York State's policy goals, Case 20-M-0082:

https://documents.dps.ny.gov/public/MatterManagement/CaseMaster.aspx?Mattercaseno=20-M-0082. Proceeding on Motion of the Commission Regarding Strategic Use of Energy Related Data, Order Adopting a Data Access Framework and Establishing Further Process (issued April 15, 2021), at 72: https://documents.dps.ny.gov/public/Common/ViewDoc.aspx?DocRefId=%7b3CDC0522-7F50-49E1-A053-EA236B3DED10%7d

223. A portion of the Capital Forecasts for 2025-2027 are attributed to Capital Expenditure for Utility 2.0 PMO Support on the IEDR Platform.
224. PSC Order 20-M-0082: https://documents.dps.ny.gov/public/MatterManagement/CaseMaster.aspx?Mattercaseno=20-M-0082
225. BEE Program budget is not included in this table since the BEE Program budget is funded separately from Utility 2.0 Programs. A portion of the Capital Forecasts for 2026 and 2027 are attributed to Capital Expenditure for Utility 2.0 Project Management Office (PMO) Support for the Make-Ready Programs, EV Programs, and IEDR Platform.
226. Marketing and Outreach for the Electrical Vehicle Program is all encompassing. The Marketing and Outreach is included in the Overall O&M Total for the Electric Vehicle Program, but it is not allocated to a specific sub-project within the Electric Vehicle Program. Thus, the Electric Vehicle Programs O&M Totals do not equal the sum of the sub-project O&M Totals.
227. Marketing and Outreach for the Electrical Vehicle Program is all encompassing. The Marketing and Outreach is included in the Overall O&M Total for the Electric Vehicle Program, but it is not allocated to a specific sub-project within the Electric Vehicle Program. Thus, the Electric Vehicle Programs O&M Totals do not equal the sum of the sub-project O&M Totals.
228. Marketing and Outreach for the Electrical Vehicle Program is all encompassing. The Marketing and Outreach is included in the Overall O&M Total for the Electric Vehicle Program, but it is not allocated to a specific sub-project within the Electric Vehicle Program. Thus, the Electric Vehicle Programs O&M Totals do not equal the sum of the sub-project O&M Totals.
229. Residential rate impacts are rounded to the nearest hundredths place.
230. EV Programs include the DCFC Program, Residential Charger Rebate Program, and EV Phase-In Rate
231. Make-Ready Programs include the EV Make-Ready and the Fleet Make-Ready Program
232. Commercial rate impacts are rounded to the nearest hundredths place.
233. EV Programs include the DCFC Program, Residential Charger Rebate Program, and EV Phase-In Rate
234. Make-Ready Programs include the EV Make-Ready and the Fleet Make-Ready Program
235. *BCA Order*: Case 14-M-0101, Order Establishing the Benefit Cost Analysis Framework (issued January 21, 2016).
236. DPS Staff will perform the modeling and file the results with the Secretary to the Commission on or before July 1 of each year. Reference and/or link will be provided upon DPS issuance of information.
237. The Net Marginal Damage Cost of Carbon is determined by the NYSERDA REC acquisition price: https://www.nyserda.ny.gov/All-Programs/Clean-Energy-Standard/LSE-Obligations/2025-Compliance-Year
238. 2020 Annual Electric Service Reliability Report: https://www3.dps.ny.gov/W/PSCWeb.nsf/96f0fec0b45a3c6485257688006a701a/d82a200687d96d3985257687006f39ca/$FILE/2020%20Electric%20Reliability%20Report.pdf
239. 2024 Utility 2.0 Long Range Plan & Energy Efficiency Plan, Appendix A: https://www.google.com/url?sa=t&rct=j&q=&esrc=s&source=web&cd=&cad=rja&uact=8&ved=2ahUKEwi9qsOVoPyNAxVZ38kDHYuGBOoQFnoECBkQAQ&url=https%3A%2F%2Fwww.lipower.org%2Fwp-content%2Fuploads%2F2025%2F02%2F2024-Utility-2.0-Filing-and-EE-Plan_Version-2.pdf&usg=AOvVaw1cAG2V9-VgQlkJSics8Lun&opi=89978449
240. *BCA Order*, pg. 13.
241. *BCA Order*, pg. 24
242. NYSERDA Retail and Residential Incentive Dashboard: https://www.nyserda.ny.gov/All-Programs/Energy-Storage-Program/Developers-and-Contractors/Residential-and-Retail-Storage-Incentives/Retail-Incentive-Dashboard
243. American Public Power Association - LIPA Board of Trustees Approves Power and Fuel Supply Agreement with The Energy Authority: https://www.publicpower.org/periodical/article/lipa-board-trustees-approves-power-and-fuel-supply-agreement-with-energy-authority
244. See First A&R OSA: https://www.lipower.org/wp-content/uploads/2016/10/OSA.pdf and Second A&R OSA: https://www.google.com/url?sa=t&rct=j&q=&esrc=s&source=web&cd=&ved=2ahUKEwjxrKuGjdeHAxW6rokEHa9tM_EQFnoECBoQAQ&url=https%3A%2F%2Fwww.lipower.org%2Fwp-content%2Fuploads%2F2021%2F11%2F2nd-AR-OSA-Nov-09-2021-1.pdf&usg=AOvVaw1EwKfrJn-n05e4duPpdUV0&opi=89978449