

New York Policy & Incentives Highlights



Disclaimer: Not a comprehensive summary of the policies and incentives applicable in the state. Visit www.dsireusa.org or local utility websites for additional programs and details.

Definitions

Building Codes	Building Performance Standards	Incentives & Rebates
<p>Model Building Codes: National consensus-based codes like ASHRAE® Standard 90.1 and IECC</p> <p>State Building Codes: Often based on model codes, but can be unique to local market</p> <p>Stretch Building Codes: A locally mandated code or alternative compliance path that is more aggressive than base code</p>	<ul style="list-style-type: none"> • (BPS) Complements building energy codes; the 2 strategies work in tandem to improve building performance • State/City laws that require existing buildings to improve energy efficiency and/or carbon emissions • Typically, includes energy efficiency, water conservation, indoor air quality and indoor environmental standards 	<p>Prescriptive: includes...</p> <ul style="list-style-type: none"> • Direct 1:1 replacement for commonly installed equipment • Specific dollar amounts for completing qualifying energy efficiency measures <p>Custom:</p> <ul style="list-style-type: none"> • Based on energy saved over a specified baseline period • Calculated in terms of peak kW, kWh, therms or per sq ft to be saved by efficiency measure or equipment

Current Commercial Policy Trends

- Member of the [U.S. Climate Alliance](#); local policies typically support these interests
- [Advanced Building Codes, Appliance and Equipment Efficiency Standards Act of 2022](#) bolsters New York’s regulatory support for energy efficiency and GHG reduction strategies in buildings along with expanded appliance standards. Status: [NYSERDA April 2024](#): Governor Kathy Hochul announced definitive steps in support of the growing clean energy industry in New York and the State’s [10-Point Action Plan](#).
- New York is a member of the [Regional Greenhouse Gas Initiative](#) (RGGI), a cap-and-trade program aimed at reducing CO₂ emissions and limiting emissions allowances from the power sector. Members levy local policies and investments to support RGGI’s goal of reducing emissions by 30% by 2030 (2020 baseline).
- The state’s [Climate Action Council Scoping Plan](#) finalized in 2022. Recommends:
 - Adoption of heat pumps, controls, and whole building energy efficiency as critical decarbonization priorities. Explicitly promotes goal of electrifying 10-20% of commercial buildings by 2030, and 85% of all buildings by 2025.
 - Introducing energy benchmarking for commercial buildings
 - Incentives for low-GWP refrigerant HVAC technologies
 - GHG emissions registry and reporting system—requiring industrial facilities to report GHGe
 - Gov. Hochul’s FY2024 budget includes allocations for the first three recommendations above
- [Utility Thermal Energy Network and Jobs Act 2022](#)
 - Removes legal barriers to utilities development of thermal energy networks
 - Mandates adherence to the [CLCPA](#) emissions reductions requirements for pilots
- City highlights:
 - Ithaca’s [Green New Deal](#) sets a target to achieve carbon neutrality by 2030, adopt a green building code for both new construction and GHG emissions reduction in existing buildings.
 - Rochester’s [Climate Action Plan](#) established a GHG reduction goals 40% below 2010 levels by 2030.
 - New York City aims to reduce GHG emissions from covered buildings 40% by 2030 and to reduce citywide GHG emissions 80% by 2050. [Details in NY Roadmap to Carbon Neutral 2050](#).
- [Local Law 97](#) - Limits GHG emissions for existing buildings >25k sqft.
- [Local Law 133 of 2016](#) - Energy benchmarking required for buildings >25k sqft. Annual energy and water consumption must be submitted every year on May 1st through ENERGY STAR Portfolio Manager.
- [Local Law 134 of 2016](#) - Requires some commercial buildings to upgrade lighting to meet current NYC Energy Conservation Code standards (compliance must be by or prior to 1/1/2025).
- [Local Law 154 of 2021](#) - Prohibits on-site fuel-combustion of fuels that emit more than 25kg CO₂/MMBTU
 - New Buildings under 7 stories beginning January 1, 2024
 - New Buildings over 7 stories beginning July 1, 2027

Notable Commercial Building Energy Codes (for New Construction)

- State code: The 2020 Energy Conservation Construction Code of New York State, based on the 2018 International Energy Conservation Code (IECC) and ASHRAE 90:1-2016. ([More info](#))
- State Stretch Code: NYStretch-2020 is a supplement to the State Energy Code made available for voluntary adoption by local governments as a more stringent local energy code ([More info](#))
- Local codes: New York allows local jurisdictions to adopt building energy codes that are more stringent than the state code.
 - NYC enforces the [2020 NYC Energy Conservation Code](#), aligns with certain provision of the NYStretch Energy Code 2020 with further amendments to be more stringent than the statewide code.

Notable Commercial Building Performance Standards (BPS) & Benchmarking Policies (for Existing Facilities)

- No statewide benchmarking or building performance standard in place, although benchmarking has recently been proposed in the state's [Climate Action Council Scoping Plan](#).
- City highlights:
 - NYC requires benchmarking and emission limits (a BPS) for existing public, commercial, and multifamily buildings >25,000 sqft per [Local Law 97](#).
 - NYC & Ithaca have also committed to implementing BPS by March 2024 through the [National BPS Coalition](#).

Available Financial Incentives and Guidance

The information below is provided by [NYSERDA](#) and the links will help you identify and evaluate programs across the state.

Energy Efficiency and Building Decarbonization – Programs & Incentives

Clean Green Schools Initiative

The goal of NYSERDA's Clean Green Schools Initiative is to help public schools that traditionally lack resources to invest in infrastructure improvements become healthier, more productive learning environments. A portion of this program is being funded through the historic \$4.2 billion [Clean Water, Clean Air and Green Jobs Environmental Bond Act of 2022](#)

Empire Building Initiative

The [Empire Building Challenge](#) (EBC) is a partnership between NYSERDA and leading commercial real estate owners. Through this program, NYSERDA is investing \$50 million to elevate new design approaches for low-carbon retrofits in New York's high-rise buildings. [Fact Sheet](#)

Buildings of Excellence Competition

The [Buildings of Excellence](#) (BOE) Competition kicked off in early 2019 recognize and reward the design, construction, and operation of clean, resilient, and carbon neutral multifamily buildings.

Multifamily Buildings Low-Carbon Pathways Program

Take a step-by-step approach toward implementing [a low-carbon retrofit of multifamily buildings](#) and receive valuable financial incentives along the way.

New Construction and Renovations Programs & Incentives

Support for developing energy-efficient buildings and spaces. If you do not see a program related to an energy upgrade you would like to make, contact your utility provider. Many utilities offer custom energy efficiency programs and incentives. [New Construction and Renovations Programs and Incentives - NYSERDA](#)

Lighting and Controls Programs & Incentives

Support for installing energy-efficient lighting and controls. If you do not see a program related to an energy upgrade you would like to make, contact your utility provider. Many [Lighting and Controls Programs and Incentives - NYSERDA](#) offer custom energy efficiency programs and incentives.

Consulting and Engineering Services

Support and guidance for energy use and management—energy audits, benchmarking, retro-commissioning, and more. If you do not see a program related to an energy upgrade you would like to make, contact your utility provider. Many utilities offer custom energy efficiency programs and incentives. [Consulting and Engineering Services - NYSERDA](#)

Heating, Cooling, and Ventilation Programs & Incentives

Support for making upgrades to energy-efficient heating and cooling equipment. Businesses can access support to install clean heating and cooling technologies, such as heat pumps, as well as energy-efficient HVAC equipment. If you do not see a program related to an energy upgrade you would like to make, contact your utility provider. Many utilities offer custom energy efficiency programs and incentives.

[Heating, Cooling, & Ventilation Programs & Incentives - NYSERDA](#)

Building Operations and Performance Programs & Incentives

Support for adopting building performance systems—meters, controls, smart thermostats, smart building technologies, and more. If you do not see a program related to an energy upgrade you would like to make, contact your utility provider. Many utilities offer custom energy efficiency programs and incentives. [Building Operations & Performance Programs & Incentives - NYSERDA](#)

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