



2026 Utility 2.0 Plan and Building Efficiency & Electrification Annual Update

Public Information Session

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PSEG Long Island

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Resources:

[2026 Utility 2.0 Plan Update \(dps.ny.gov\)](https://dps.ny.gov/2026-Utility-2.0-Plan-Update) : [Matter 14-01299](#)

[PSEG Long Island 2026 Annual Update to the Utility 2.0 Long Range Plan & Energy Efficiency and Demand Response \(www.psegliny.com\)](https://www.psegliny.com/2026-Annual-Update-to-the-Utility-2.0-Long-Range-Plan)

Agenda

- 01** Utility 2.0 and BEE Plan Overview
- 02** PSEG Long Island's Utility 2.0 Vision
- 03** 2027 Utility 2.0 and BEE Total Funding Request
- 04** Demand Flexibility & DER Updates
- 05** Transportation Electrification Updates
- 06** Building Efficiency & Electrification Updates

2026 Utility 2.0 Filing and BEE Plan Overview

Objectives: To help meet Long Island's growing energy needs, PSEG Long Island's Utility 2.0 and BEE programs support affordable, reliable, and resilient energy solutions for its customers.

2026 Utility 2.0 and Building Efficiency & Electrification (BEE) Plan: This year's Plan includes accomplishments to date, one-year program outlooks, and a proposal for one new initiative – the **Utility 2.0 Residential Active Managed Charging Pilot**. Chapters in the Plan are aligned to the following focus areas:

- Demand Flexibility and Distributed Energy Resources (DERs)
- Transportation Electrification (TE)
- Building Efficiency and Electrification (BEE)
- Digital Enablement (IEDR Platform)

Budget¹:

- Utility 2.0 Portfolio Budget: **\$22 M** (\$4 M CAPEX; \$18 M O&M)
- BEE Portfolio Budget: **\$80 M**
- Total: **\$102 M**

¹ Budgetary values are rounded to the nearest whole number

The 2027 Utility 2.0 vision has adapted to meet evolving state and Long Island priorities

- **Added focus on changing system needs**, including capacity growth and demand flexibility.
- **Connected NYS priorities** (clean energy, reliability, affordability) **to the Filing's three priority areas** (Demand Flexibility & DERs, TE, and BEE).

PSEG Long Island's Utility 2.0 Vision (Updated 2026)

PSEG Long Island's Utility 2.0 vision advances **statewide clean energy goals** and priorities by establishing **grid flexibility, distributed energy resources, energy efficiency, and building and transportation electrification** as integrated system tools to support grid modernization and reliable, resilient, and affordable electric service. Utility 2.0 is committed to **managing capacity concerns through program design and targeted incentives that enhance customer satisfaction while ensuring equitable access** and benefits for all customers, including disadvantaged and income-constrained households.

Utility 2.0 and BEE Budget Estimates

PSEG Long Island requests a total of **\$21.92 million** in Utility 2.0 funding (**\$3.51 million** in **Capital** and **\$18.41 million** in O&M) for **7** active and **1** proposed initiative in 2027.

Focus Area	Initiative Name	2026 Initiative Status	2027 Capital (\$M)	2027 O&M (\$M)	2027 Total (\$M)
Demand Flexibility	DLM Tariff and Flexibility Programs	Active	0.00	7.50	7.50
	Demand Flexibility Total		0.00	7.50	7.50
Transportation Electrification	Fleet Make-Ready Program	Active	0.25	1.17	1.41
	EV Make-Ready Program	Active	0.97	6.50	7.47
	Residential Charger Rebate Program	Active	0.00	0.60	0.60
	DCFC Incentive Program	Active	0.00	0.05	0.05
	EV Phase-In Rate	Active	0.27	0.00	0.27
	Managed Charging Pilot Program	Proposed	0.00	2.00	2.00
	Transportation Electrification Total		1.49	10.56²	12.05
Digital Enablement	IEDR Platform	Active	2.01	0.35	2.36
	Digital Enablement Total		2.01	0.35	2.36
Total Utility 2.0 Programs			3.51	18.41	21.92
Total BEE Programs			0.00	80.44	80.44
Total Utility 2.0 and BEE¹			3.51	98.85	102.36

¹ The Total Utility 2.0 and BEE budget reflects budget to support the direct implementation and management for the Utility 2.0 and BEE initiatives and is not encompassing of all PSEGLI EE/RE Departmental costs.

² The 2027 TE O&M total also includes budgetary support for marketing and outreach efforts (\$0.25M), which are all encompassing across the TE focus area and as a result are not allocated to a specific sub-project. Thus, the Transportation Electrification O&M Totals do not equal the sum of the sub-project O&M Totals.



Demand Flexibility & DER Updates



Demand Flexibility – 2027 Notable Changes

For 2027, PSEG Long Island intends to prioritize enhancing marketing strategies for every Demand Flexibility and Demand Response offering.



Direct Load Control (Smart Savers Thermostat) Program

- **Incorporate dynamic loading shaping (DLS)** to normalize hourly participation in Smart Savers by leveraging smart thermostat capabilities to learn customer preferences and tailor thermostat adjustments accordingly with a staggered dispatch to increase consistency and reliability of load savings.



Direct Load Control (BYOB) Program

- Integrate the **BYOB¹ Program into the DLC Program** rather than CSRP² / DLRP³ to better align energy storage technology applications with the operational design and dispatch framework of the DLC Program.



CSRP / DLRP (Demand Response)

- Focus on **strengthening trade-ally engagement** and targeting **process improvements** to expand participation.



Other Demand Flexibility Support *(proposed new for 2027)*

- **Background VPP Capability** – Introduce customer opt-in based virtual power plant (VPP) program to support peak-load control via smart thermostat micro-adjustments.
- **TOD Daily Thermostat Optimization Initiative** – Coordinate with smart thermostat OEM providers to drive additional voluntary customer enrollment in programs that automate daily load shifting aligned with TOD rates.

¹BYOB: Bring Your Own Battery

²CSRP: Commercial System Relief Program

³DLRP: Distribution Load Relief Program

Demand Flexibility – 2027 Budget Estimates

The 2027 budget drives enhanced demand flexibility outcomes through Background Virtual Power Plant (VPP), Time of Day (TOD) thermostat daily optimization, and expanded customer engagement efforts.

Cost Item	2027 Updated Budget (\$M)	Cost Item Overview
Base DLM ¹ Tariff Program Contract	3.85	Driven by expected enrollment levels for and includes fixed and variable fees for the platform.
Other DLM Tariff Programs (Background VPP)	1.50	Micro-adjustments for non-enrolled thermostats.
EnergyHub Total	5.35	
TOD Thermostat Daily Optimization	0.50	OEM-supported customer outreach, in-app engagement, and analytics to increase adoption of thermostat TOD features that automate daily load shifting and reduce peak demand.
TOD Total	0.50	
Internal PSEGLI Labor	1.35	Internal PSEGLI Labor to support Demand Flexibility & DERs programs.
Marketing & Outreach	0.30	Marketing and customer engagement support for DLM Tariff Programs.
Administration Total	1.65	
Total Demand Flexibility Portfolio Budget	7.50	

¹DLM: Direct Load Management



Transportation Electrification Updates



Transportation Electrification – 2027 Notable Changes



EV Make-Ready (Public Charging)

- **Changes in data collection** driven by PSC¹ order and the April 2026 EnergyHub contract termination.
 - Near-term vendor procurement is underway while long-term AMI²/NSP³ solutions are evaluated.
- 2027 port targets have been **right-sized to reflect current market utilization** (100 L2; 125 DCFC).



Fleet Make-Ready

- Incentive structure **shifts from \$/project to \$/port**, simplifying program design and better aligning incentives with actual charger deployment.
- **2027 targets are reset** to 50 L2 and 15 DCFC ports to reflect realistic fleet conversion timelines and observed market conditions



EV Program

- **Residential Active Managed Charging Pilot** to launch in Q1 2027; vendor selection currently underway via RFP.
- **EV Phase-In Rate** implementation to conclude in Q1 2027, enabling customer participation for Rate 281 customers.
 - **DC Fast Charging (DCFC) Incentive Program** to sunset concurrently with customer eligibility transition.

¹PSC: Public Service Commission

²AMI: Advanced Metering Infrastructure

³NSP: Network Service Provider

Transportation Electrification – 2027 Budget Estimates

The 2027 budget drives transportation electrification goals aligned with NYS priorities through various EV and Make Ready Programs. PSEG Long Island is proposing a Managed Charging Pilot Program for next year and soliciting implementation vendors.

Program Name	2027 Capital (\$M)	2027 O&M (\$M)	2027 Total (\$M)	Cost Item Overview
Fleet Advisory Service	0.00	0.36	0.36	Continued delivery of FAS ¹ including expanded scope
Fleet Make Ready Program	0.25	0.81	1.06	Adjusted L2 ² and DCFC ³ port forecast and targets
EV Make Ready Program	0.97	6.50	7.47	L2 and DCFC right-sizing effort and charger utilization analysis, EV federal tax credit ending
Marketing and Outreach	0.00	0.25	0.25	Marketing across all TE programs
Residential Charger Rebate Program	0.00	0.60	0.60	Based off program targets
DCFC Incentive Program	0.00	0.05	0.05	Transitioning customers to EV Phase-In Rate
EV Phase-In Rate	0.27	0.00	0.27	Project close out activities
Managed Charging Pilot Program	0.00	2.00	2.00	Estimate for implementation vendor based off solicitation
Total Transportation Electrification Budget	1.47	10.56	12.05	

¹FAS: Fleet Advisory Service

²L2: Level 2 Charger

³DCFC: Direct Current Fast Charging



Building Efficiency & Electrification Updates



Building Efficiency & Electrification (BEE) Portfolio

May 2025 PSC Orders Guidance	PSEGLI's 2027 Portfolio
Target a minimum of 80% of annual budget for Money out the Door (MOTD) ¹ EE/BE spending by 2030	76% of annual BEE budget serving customers as MOTD
EE/BE budget ▪ ≥25% on Weatherization (Small Res) ▪ ≤50% on Heat Pumps ▪ 30% for Low-to-Moderate Income (LMI) customers	BEE budget ▪ 29% on Weatherization ▪ 1,400 to 1,900 Dwellings to be Weatherized² ▪ 50% on Heat Pumps ▪ 4,085 Single Family Dwellings with Heat Pumps ▪ 1,458 Multifamily Dwellings with Heat Pumps ▪ 38% of MOTD allocated for LMI customers
≥85% of budget for Strategic measures , up to 15% Neutral	99% of budget for Strategic Measures , 1% for Neutral
No ratepayer funds to rebate Lighting (Res and non-Res), Appliances , and Home Energy Reports	Excludes Lighting, Appliances, and Home Energy reports (Per NYSERDA guidance, LED Lighting to be permitted for LMI customers through 2027)

Climate Leadership & Community Protection Act Requirement³

Over 50% of 2024 and 2025 spend was directly attributed to benefiting Disadvantaged Communities (DACs), **surpassing** the statewide **40% minimum and 45% goal**.

¹Money out the door (MOTD) refers to the expenditure of funds to customers in the form of rebates or incentives. PSEGLI is awaiting a more granular definition of the MOTD metric from the state and is developing a plan to closely track results.

²This is to be finalized when the NYS guidance on minimum weatherization requirements becomes available.

³May 2026 TED Budget Bill increased the DAC target from the prior “at least 35% with a goal of 40%” framework to a “minimum of 40% with a goal of 45%.”

Residential Building Electrification – 2027 Notable Changes



Home Energy Assessment Requirement

- Customers will be **required to complete an energy assessment** prior to participating in a weatherization project.



Residential Efficient Products (Smart Thermostats)

- Energy efficiency incentives will be **limited to Marketplace purchases**.
- Thermostats with Dynamic Load Management (DLM) capability to be incentivized.
 - **Automatic DLM pre-enrollment** at the point of Marketplace purchase.



Residential Income-Qualified (Low-to-Moderate Income Customers)

- Customers to receive **free energy assessment/direct-install measures**, along with \$50 bill credit.
- The Marketplace **voucher value increases to \$35**, supporting free shipping for customers.

Commercial and Multifamily Building Electrification – 2027

Notable Changes



Commercial Efficiency Program

- Rebates for Energy Efficiency and Beneficial Electrification measures, along with **enhanced incentives for DAC¹ customers**.
- Custom Program to continue for non-prescriptive measures.



Multifamily

- Dedicated Energy Consultants for **engaging with developers and landlords**.
- **Strengthen relationship** with associations (Building Owners and Management Association and Long Island Builders Institute).
- Partner with the Long Island Board of Realtors to **launch a training program** focused on building science, energy efficiency, and available incentive programs.

¹DAC: Disadvantaged Community

Building Efficiency & Electrification – 2027 Budget Estimates

Program Name	2027 Budget (\$M)	Annual Energy Savings (MMBtu)
Residential Space Heating	29.90	257,542
Residential Water Heating	1.68	11,372
Residential Building Envelope	24.09	TBD ¹
Residential Efficient Products	1.16	42,279
Residential Income-qualified (REAP)	3.98	5,728
Residential Total	60.81	316,921
Commercial Total	9.74	87,301
Multifamily Total	5.22	42,342
Programmatic Total	75.77²	446,565
Other Budget Components (Evaluation, G&A, Labor, Advertising)	4.67	-
Total Building Efficiency & Electrification (BEE) Portfolio	80.44	446,565

¹ Implementation details (including MMBtu savings) to be finalized when the NYS guidance on minimum weatherization requirements becomes available.

² Includes Rebates/Incentives and Implementation Fee.



Closing Remarks and Resources

The New York State Department of Public Service (DPS) is seeking your public comments on PSEG Long Island's 2026 Utility 2.0 Plan and Building Efficiency & Electrification Plan.



Online Comments Form

Comments may be entered directly into the case via the www.dps.ny.gov website, by entering the associated matter number (14-01299) in the search option found on the homepage. After opening the case, enter comments in the "Post Comments" tab located at the top of the page.



First Class Mail

Your comments should refer to "**Matter Number 14-01299 – PSEG LI's Utility 2.0 and Building Efficiency & Electrification Plan.**" Comments may be mailed and delivered to: Hon. Michelle L. Phillips, Secretary to the Commission New York State Public Service, Three Empire State Plaza, Albany, New York 12223-1350.



Email the DPS Secretary

Comments may be sent electronically to the DPS secretary at secretary@dps.ny.gov



Toll-free Opinion Line

Comments may also be submitted through the Department of Public Service's Opinion Line at **1-800-335-2120**. The number is designed to take comments about pending cases from in-state callers, 24 hours a day. Callers should press "2" to leave comments, mentioning PSEG Long Island's Utility 2.0 Plan.

Submit your comments by **08/20/2026** and reply comments by **09/04/2026**.

For more details, visit <https://www.dps.ny.gov/LongIsland>



Important Dates

08/20/2026

09/04/2026

By EOY 2026

Public Comments Due

Reply Comments Due

DPS Final Recommendation Letter issued to LIPA





 Thank
you

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www.psegliny.com