



Utility 2.0 Long Range Plan and Building Efficiency & Electrification Plan

Prepared for Long Island Power Authority

July 1, 2026



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Executive Summary

2026 Utility 2.0 Plan Annual Filing and Building Efficiency & Electrification Plan

Pursuant to Public Authorities Law Section 1020-f(ee), PSEG Long Island (also referred to herein as the Utility), on behalf of the Long Island Power Authority (LIPA), hereby submits this Utility 2.0 Long Range Plan (Utility 2.0 Plan) and Building Efficiency & Electrification (BEE) Plan, for review to the New York State (NYS) Department of Public Service (DPS).¹



This Utility 2.0 Plan provides updates on active Utility 2.0 initiatives previously reviewed by the DPS and approved by the LIPA Board of Trustees (LIPA Board), as well as the proposal for one new Utility 2.0 initiative, *i.e.*, the Residential Active Managed Charging Pilot. PSEG Long Island seeks a positive recommendation on the 2026 Utility 2.0 Plan from the DPS and 2027 budget approval for currently active and proposed Utility 2.0 initiatives from the LIPA Board.

This Utility 2.0 Plan also includes PSEG Long Island's BEE Plan (included as **Chapter 4**). 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.

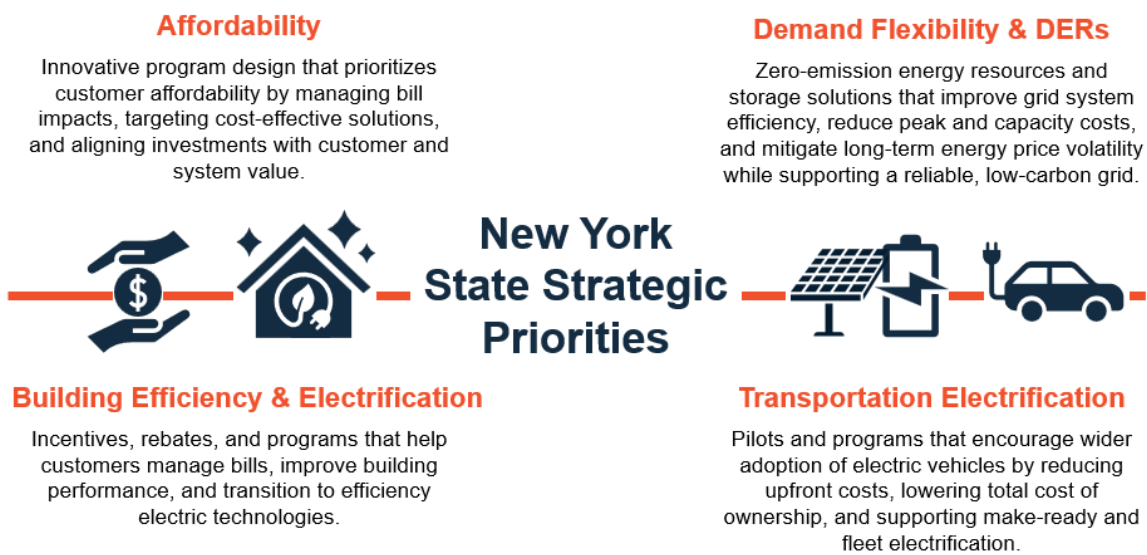
¹ Pursuant to the Second Amended and Restated Operations Services Agreement (hereinafter referred to as the OSA) dated April 1, 2022, as it may be restated, amended, modified, or supplemented from time to time, between Long Island Electric Utility Servco LLC and the Long Island Power Authority f/k/a Long Island Lighting Company d/b/a LIPA and PSEG Long Island LLC, PSEG Long Island is the service provider to and agent of LIPA.



PSEG Long Island’s Utility 2.0 Vision

PSEG Long Island is committed to delivering reliable and affordable energy service by deploying a balanced portfolio of grid flexibility, energy efficiency, and electrification programs to expand clean energy while maintaining system performance and prioritizing equitable access for Disadvantaged Communities (DACs) and Low-to-Moderate Income (LMI) customers. As electrification and capacity concerns increase, the State has increasingly emphasized the role of load flexibility and system reliability as essential complements to the clean energy transition, consistent with the priorities of the New York State Climate Leadership and Community Protection Act (Climate Act or CLCPA).² **Figure ES-1** details New York State’s strategic priority areas.³

Figure ES-1. New York State 2026 Strategic Priorities and PSEG Long Island’s Utility 2.0 & BEE Plan



PSEG Long Island Supports New York State Policies and Objectives

PSEG Long Island and LIPA, with guidance from the DPS, collaborate extensively to advance the State's clean energy objectives by integrating load flexibility and system reliability, while maintaining affordability and expanding equitable access to clean energy solutions. Throughout this year, PSEG Long Island and LIPA reviewed opportunities to align with New York State goals and guidance, including:

² New York’s Climate Leadership and Community Protection Act (CLCPA or Climate Act). (See **Appendix E** for URL addresses).
³ Energy Efficiency and Heat Pumps are combined under Building Efficiency & Electrification.



- Advancing adoption of Distributed Energy Resources (DERs)
- Expanding demand flexibility programs and services
- Expanding heat pump adoption
- Continuing to focus on weatherization strategies
- Continued support for LMI and DACs
- Increasing Electric Vehicle (EV) infrastructure

PSEG Long Island and LIPA also identified opportunities to strengthen program processes, leverage stakeholder partnerships, and utilize data-driven insights to enhance program effectiveness and customer communication. As discussed in subsequent chapters, the Utility 2.0 initiatives directly contribute to NYS’s strategic priorities and deliver benefits to customers across Long Island. 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 4**). Additionally, PSEG Long Island and LIPA support State priorities 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

2026 Utility 2.0 Plan

PSEG Long Island’s 2026 Utility 2.0 Plan (detailed in **Chapters 2, 3, and 5**) features a review of Utility 2.0 project accomplishments to date, along with one-year outlooks for currently active programs and a proposal request for one initiative – the Residential Active Managed Charging Pilot. 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).⁴

2027 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 4**). On May 15th, 2025, the Public Service Commission (PSC) issued its Orders Authorizing LMI and Non-LMI Energy Efficiency and Building Electrification Portfolios

⁴ The JU are 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 addresses).



for 2026 through 2030.⁵ PSEG Long Island continues to align BEE programs to the guidance provided in these Orders. The BEE Plan focuses on moving the portfolio towards efficiency-first (*i.e.*, weatherization), while continuing to focus on strategic Building Electrification (BE) measures, such as heat pumps. PSEG Long Island continues to work with other New York State utilities and external stakeholders, such as the New York State Energy Research and Development Authority (NYSERDA), to further energy affordability and enhance customer experience. The BEE Plan also outlines how EE and BE measures will benefit DACs and LMI customers through strategic program delivery and incentive mechanisms.

Utility 2.0 Plan and BEE Plan Budget Requests

PSEG Long Island’s proposed 2027 budget is \$102.36 million (for both the Utility 2.0 and BEE Programs), reflecting the Utility’s continued commitment to New York State’s clean energy goals while maintaining customer affordability.⁶ PSEG Long Island requests a total Utility 2.0 Program budget of \$3.51 million in capital expenditures and \$18.41 million in Operations and Maintenance (O&M) expense and a total Building Efficiency & Electrification Plan budget of \$80.44 million for 2027. The proposed 2027 budget reflects a rebalancing of portfolio investment across the Demand Flexibility & DERs, Transportation Electrification (TE), and BEE programs based on alignment with evolving NYS guidance, adjustments to scope based on participation and performance trends, and transition of certain costs outside of the program budget requests. The Utility 2.0 Plan budget requests are detailed in **Chapters 2, 3, and 5**, while the BEE Plan program budgets are covered in **Chapter 4**. The 2027 budget requests for the Utility 2.0 Plan and the BEE Plan programs are presented separately throughout this document.

Budget request values presented throughout this document are subject to change, pending the results of ongoing discussions with LIPA regarding the proposed 2027 budget.⁷ The proposed budget requests presented in **Table ES-1** and throughout **Chapters 2 through 5** represent the budget required to maintain PSEG Long Island’s Utility 2.0 and BEE portfolios in a manner that best aligns with the priorities of New York State while considering budgetary guidance shared by LIPA. Full details on project costs and variances by year can be found in **Chapter 6** with project-specific details in the sections identified in **Table ES-1**. Note that only initiatives specifically requesting Utility 2.0 budget are shown in this table. All budgetary values presented in **Table ES-1** and throughout **Chapters 1 through 6** are rounded to the hundredth decimal place.

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

⁵ See PSC Cases 25-M-0248 and 25-M-0249 (See **Appendix E** for URL addresses).
⁶ Note that a portion of the reduction reflects the transition of PMO budget for Utility 2.0 implementation support to the PSEG Long Island Core operating budget beginning in 2027.
⁷ Any meaningful budget adjustments made to initiatives after the initial Utility 2.0 Plan submission and prior to the receipt of the DPS Recommendation Letter will be provided to the DPS through an amendment submission.


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serving different customer segments: Residential, Commercial, and Multi-Family, which are discussed in **Chapter 4**. PSEG Long 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 (known as Residential Energy Affordability Program; REAP) programs, totaling \$19.87 million in projected spend in 2027,⁸ as shown in **Table ES-3** and **Table ES-4**. The Residential Building Envelope annual and lifetime savings are listed as "TBD" in **Table ES-2** pending statewide guidance that is anticipated to be released in the Fall of 2026.

Table ES-1. 2027 Total Utility 2.0 Program Budget Request

Focus Area	Initiative Name	Section	Capital 2027 ⁹ (\$M)	O&M 2027 ¹⁰ (\$M)	Total 2027 (\$M)
Demand Flexibility	DLM Tariff & Demand Flexibility Programs	2.1	0.00	7.50	7.50
	Demand Flexibility Total		0.00	7.50	7.50
Transportation Electrification	Fleet Make Ready Program	3.1; 3.2	0.25	1.17	1.41
	EV Make Ready Program	3.3	0.97	6.50	7.47
	Residential Charger Rebate Program	3.4	0.00	0.60	0.60
	DCFC Incentive Program	3.5	0.00	0.05	0.05
	EV Phase-In Rate	3.6	0.27	0.00	0.27
	Managed Charging Pilot Program	3.7	0.00	2.00	2.00
	Transportation Electrification Total		1.49	10.56¹¹	12.05
Digital Enablement	IEDR Platform	5.1	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 BEE Budget¹²			3.51	98.85	102.36

⁸ DAC spend and enhancements for Transportation Electrification Programs are not included in this figure.

⁹ A nominal portion of the Capital Request for 2027 is attributed to Capital Expenditure for external (Engineering Consultant) Utility 2.0 Project Management Office (PMO) support for the Make Ready Programs, EV Programs, and IEDR Platform.

¹⁰ Special Projects and PMO budget and associated labor (O&M) is not a part of this 2027 Utility 2.0 budget request as it is included as a part of the overall core PSEG Long Island Operating budget.

¹¹ The 2027 Transportation Electrification 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.

¹² The Total Utility 2.0 and BEE Budget reflects budget to support direct implementation and management for the Utility 2.0 and BEE initiatives and does not encompass all EE/Renewable Energy (RE) Departmental costs.



Table ES-2. PSEG Long Island's 2027 BEE Portfolio aligned to LMI and Non-LMI PSC Orders¹³

Program	Annual Savings (MWh)	Annual Savings (MMBtu)	Lifetime Savings (LMMBtu-e)	Program Budget (\$M)
Residential Income-qualified (REAP)	495	5,728	65,318	3.98
Residential Building Envelope	TBD	TBD	TBD	24.09
Residential Space Heating	1,077	257,542	5,937,356	29.90
Residential Water Heating	250	11,372	227,443	1.68
Residential Efficient Products	2,280	42,279	465,073	1.16
Commercial	21,409	87,301	1,498,374	9.74
Multi-Family	389	42,342	968,808	5.22
Total, Budget Components Associated with Programmatic Savings	25,900	446,565	9,162,372	75.77
Evaluation	–	–	–	0.62
Miscellaneous	–	–	–	0.87
Labor	–	–	–	1.38
Advertising	–	–	–	1.80
Total Other Budget Components Not Associated with Programmatic Savings¹⁴	–	–	–	4.67
Total BEE Budget Request	25,900	446,565	9,162,372	80.44

LMI-eligible customer goals for programs within the BEE plan have been extracted from the table above and are shown in **Table ES-3** and **Table ES-4** below.

Table ES-3. 2027 Income-Qualified Customer Goals for BEE Programs – Low Income¹⁵

Program & Measure	Savings (MMBtu)	Participation (Units)	Participation (Dwellings)	Rebates & Incentives Budget (\$M)
Residential Space Heating – LI	62,900	-	1,005	8.17
Whole-House Air Source Heat Pumps	62,550	-	1,000	8.10
Air to Water Heat Pumps	80	-	2	0.02
Ground Source Heat Pumps	271	-	3	0.06
Residential Water Heating – LI	2,669	225	-	0.39
Heat Pump Water Heaters	2,669	225	-	0.39
Residential Building Envelope – LI	-	-	TBD	9.45
Residential Weatherization	TBD	TBD	TBD	9.43
Residential Windows	TBD	TBD	TBD	0.02
Residential Income-qualified (REAP)	5,728	19,215	-	-
Total	71,298	19,440	1,005	18.02


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Table ES-4. 2027 Income-Eligible Customer Goals for BEE Programs – Moderate Income¹⁶

Program & Measure	Savings (MMBtu)	Participation (Units)	Participation (Dwellings)	Rebates & Incentives Budget (\$M)
Residential Space Heating - MI	12,860	-	205	1.14
Whole House Air Source Heat Pumps	12,510	-	200	1.09
Air to Water Heat Pumps	80	-	2	0.01
Ground Source Heat Pumps	271	-	3	0.04
Residential Building Envelope - MI	TBD	TBD	TBD	0.72
Residential Weatherization	TBD	TBD	TBD	0.72
Total	12,860	-	205	1.85

Structure of the Document

This annual update of the Utility 2.0 and BEE Plan includes reporting updates on scope, schedule, performance, and budget for previously approved and proposed initiatives as well as PSEG Long Island's accomplishments through 2025 year-end and Q1 2026, where applicable. Unless otherwise noted in this Plan or if a budget amendment request is filed following the submission of this Plan, PSEG Long Island intends to deliver the scope of the approved initiatives within the overall approved budget and schedule.¹⁷

Overall, the 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 budget request for initiatives that will start in 2027 as well as progress updates, performance reporting, and budget reconciliation for previously approved initiatives that are active in 2026.
- **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.

¹³ The budgetary values presented in this table are rounded to the hundredths decimal place.

¹⁴ The DLM Tariff Program budget that was historically included within this "Other Budget Components Not Associated with Programmatic Savings" section within the BEE portfolio has now shifted into the Demand Flexibility & DERs budget as a part of the Utility 2.0 Portfolio (**Section 2.1**). In addition, the 2027 BEE portfolio reflects budget to support direct implementation and management of the BEE programs for determining the accurate MOTD.

¹⁵ The budgetary values presented in this table are rounded to the hundredths decimal place.

¹⁶ The budgetary values presented in this table are rounded to the hundredths decimal place.

¹⁷ The duration of the approved budget 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**.

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- **Appendix A** contains a summary of PSEG Long Island's Benefit Cost Analysis (BCA) Handbook and an overview of the results from the reforecasted EV and Fleet Make Ready BCA Model.
- **Appendix B** provides a list of the operationalized and completed Utility 2.0 initiatives.
- **Appendix C** provides a summary of PSEG Long Island and LIPA'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.

1. Introduction

*2026 Utility 2.0 Plan Annual Filing
and Building Efficiency &
Electrification Plan*





1. Introduction

1.1. PSEG Long Island’s Utility 2.0 Vision

PSEG Long Island continues to advance its commitment to supporting the State’s climate goals while prioritizing energy affordability, resiliency and reliability, and grid flexibility (Figure 1-1).

Figure 1-1. PSEG Long Island’s Utility 2.0 Vision (Updated 2026)

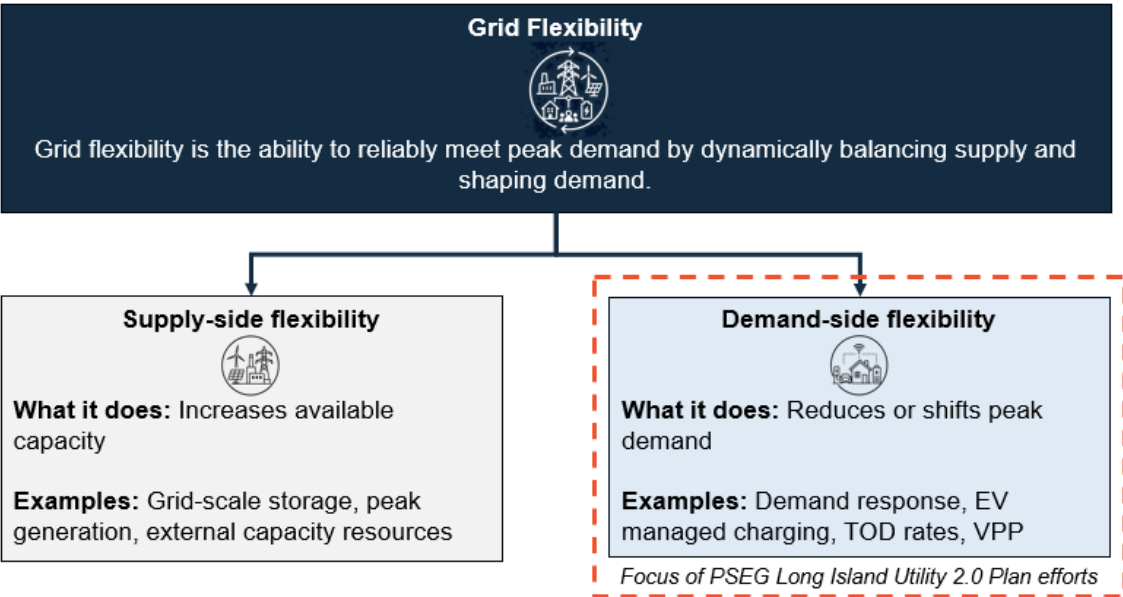
PSEG Long Island’s Utility 2.0 vision advances **statewide clean energy goals** and priorities by establishing **grid flexibility, distributed energy resources, energy efficiency, and building and transportation electrification** as integrated system tools to support grid modernization and reliable, 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.

The global energy industry is actively undergoing a critical transformation that is reshaping customer expectations, utility operations, and electric distribution systems. PSEG Long Island prioritizes goals and projects that advance clean energy objectives while responding to the operational realities of accelerating electrification, capacity growth, and system constraints.

As the State evaluates progress and future advancement towards CLCPA goals, regulatory focus has increasingly emphasized the importance of grid modernization and load flexibility. Grid flexibility reflects the electric system’s ability to reliably meet peak demand by dynamically balancing supply resources and shaping customer demand, minimizing the need for additional infrastructure (see **Figure 1-2**). Within this framework, flexibility can be achieved through both supply-side resources and demand-side actions that reduce or shift load. The Utility 2.0 portfolio primarily focuses on supporting demand-side flexibility through customer-facing programs and distributed energy resources.



Figure 1-2. Definition of Grid Flexibility



In response to these priorities, this year’s Utility 2.0 Plan is structured as follows: Demand Flexibility & DERs (**Chapter 2**), Transportation Electrification (**Chapter 3**), Building Efficiency & Electrification (**Chapter 4**), Digital Enablement (**Chapter 5**). Paving the way for future program evolution, PSEG Long Island integrates Utility 2.0 projects into its core operations (see **Appendix B**).

1.2. Utility 2.0 Program Delivery

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

1.2.1. Managing the Utility 2.0 Program and Annual Filing Process

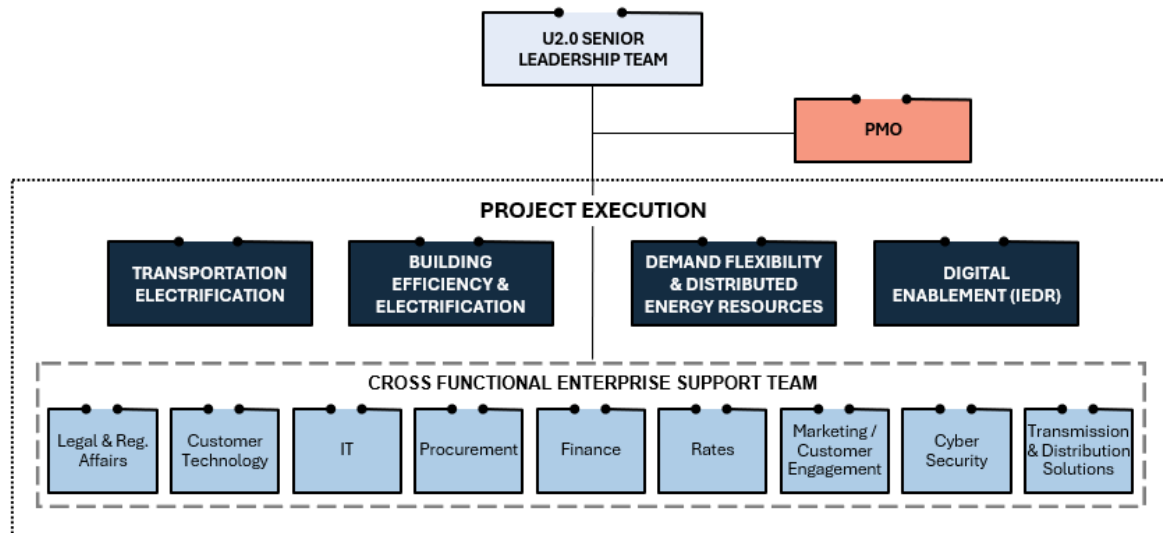
PSEG Long Island’s vision is realized through a cross-functional portfolio of programs with a projected spend of approximately \$102.36 million in 2027 for both the Utility 2.0 and BEE programs. These initiatives span multiple functional groups with considerable departmental interdependencies while impacting the organization, its processes, and technology systems.

The Utility 2.0 Program is managed by a Project Management Office (PMO) that was established in 2020 and operationalized in 2023. The PMO develops the annual Utility 2.0 Plan, manages responses to Interrogatory Requests (IRs), and oversees project execution, reporting, and stakeholder engagement, including coordination with the DPS, LIPA, NYSERDA, and other interested parties. Executive oversight is provided by the cross-functional Utility 2.0 Senior Leadership Team (SLT), which helps resolve critical project



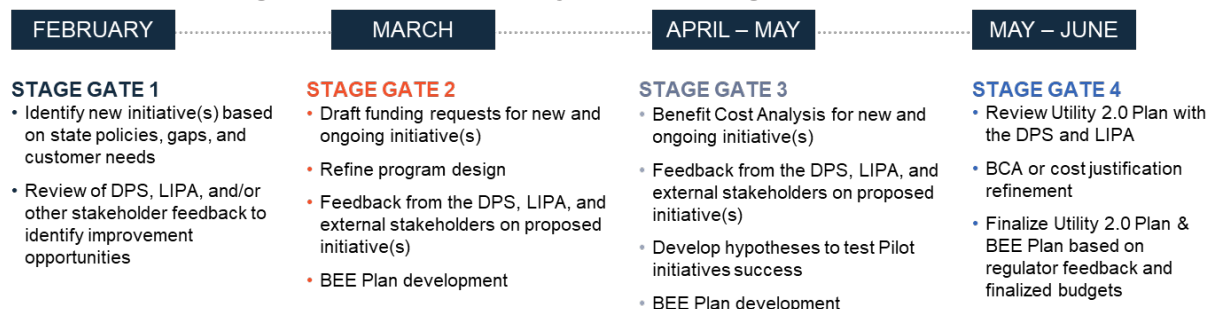
issues and ensures alignment across key stakeholders, such as those from the Customer Experience and Marketing, Transmission and Distribution (T&D), and Information Technology (IT) teams (**Figure 1-3**).

Figure 1-3. Utility 2.0 Governance Structure



Using standardized PMO documentation and processes, project teams are able to effectively develop scope, schedule, and budget updates and/or proposals for inclusion in the Utility 2.0 Plan.¹⁸ Development of the Utility 2.0 Plan follows a structured stage gate process with the DPS and LIPA, through which proposed and ongoing initiatives are reviewed, refined, and aligned with regulatory priorities. Small group work sessions with stakeholders, including external industry leads, are conducted in-between stage gates to supplement development of initiatives. A summary of the stage gate process is provided in **Figure 1-4**.

Figure 1-4. Annual Utility 2.0 Plan Stage Gate Process

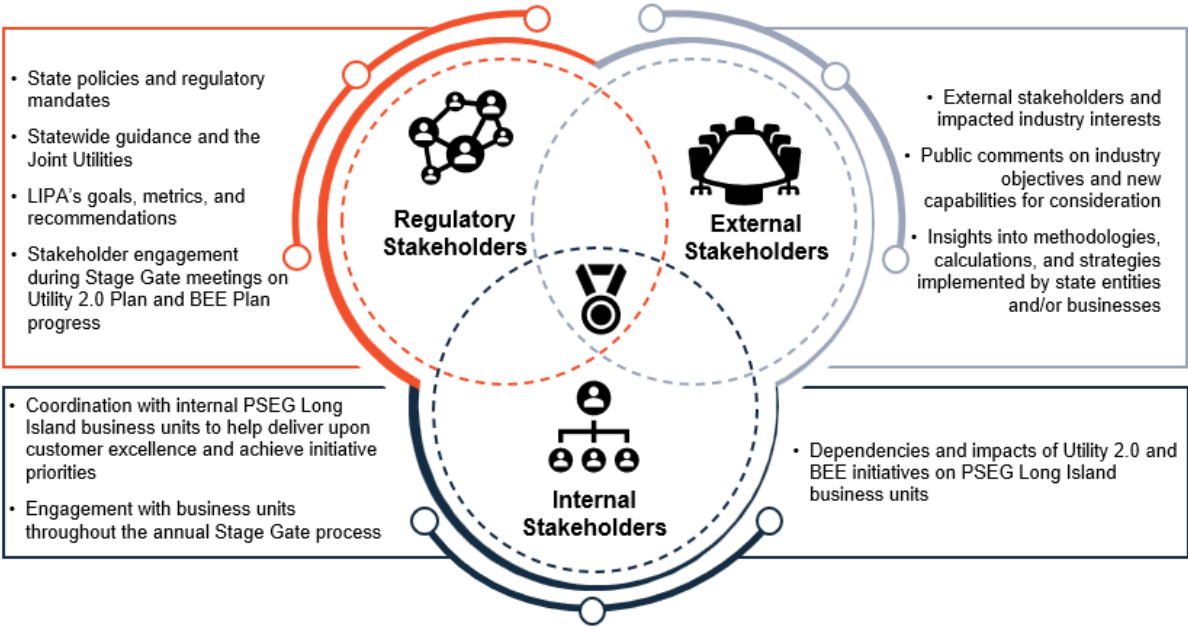


¹⁸ Building Decarbonization and Envelope Improvements initiatives are managed and implemented outside of the Utility 2.0 Program and Delivering Benefits to DACs is addressed at a program-wide level.



Ongoing collaboration with internal business units and external stakeholders is essential to the success of the Utility 2.0 portfolio (see **Figure 1-5**). Engagement with the DPS, LIPA, NYSERDA, and industry experts supports alignment with state policy objectives, incorporation of emerging best practices, and continuous improvement of Utility 2.0 and BEE projects and programs. This approach supports effective program delivery, equips employees to effectively support customer needs, and enables delivery of high-quality customer experience, allowing the Utility 2.0 programs to enhance customer satisfaction while efficiently utilizing internal resources.

Figure 1-5. Guiding Considerations for Utility 2.0 Plan Stakeholder Engagement



1.2.2. Engaging Customers in Utility 2.0 Initiatives

Program participation in Utility 2.0 and BEE programs depend on customer engagement efforts, which are guided by a customer-focused, data-driven approach that supports customer understanding of electric service, innovative rate options, and rebates and incentives. PSEG Long Island leverages customer insights from multiple resources including research efforts, program data, vendor tools, and prior program experience to inform targeted customer education and outreach, including to DAC and LMI customers.



PSEG Long Island utilizes a multi-channel communication approach that integrates digital and traditional media with account-level direct customer outreach for commercial customers, as seen in **Figure 1-6**. Targeted customer engagement campaigns have been successfully deployed across Utility 2.0 and BEE programs, such as weatherization, heat pumps, and EV offerings. These initiatives target customers with tailored outreach based on their geographical location and DAC / LMI status, among other factors. This targeted approach will continue to support increased participation where data is available.



PSEG Long Island will continue to refine its customer engagement strategy through ongoing benchmarking and customer research, consistent with industry best practices. Specific program marketing and customer engagement details are included in **Chapter 2, Chapter 3,** and **Section 4.1.1**.

1.2.3. Delivering Benefits to Disadvantaged Communities

NYS DAC Guidance

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, approving, and adopting these criteria in 2023.¹⁹ To develop this criteria, the CJWG used 45 indicators and found that 35% of New York State census tracts are designated as DACs.²⁰ In addition to geographic factors, individual households earning total income at or below 60% of State Median Income (SMI), regardless of geographic location, are included for targeted investments.²¹

Statewide guidance for the DAC investments and benefits reporting requirement was released in Q2 2026 by the New York State Department of Environmental Conservation

¹⁹ New York State. Disadvantaged Communities Criteria. (See **Appendix E** for URL addresses).
²⁰ New York State Department of Environmental Conservation and NYSERDA. New York State’s Disadvantaged Communities Criteria. (See **Appendix E** for URL addresses).
²¹ New York State Climate Justice Working Group Draft Disadvantaged Communities Criteria and List Technical Documentation (See **Appendix E** for URL addresses).



(DEC) and NYSERDA.²² The approved May 2026 Transportation, Economic Development, and Environmental Conservation (TED) Budget Bill mandates that all New York State agencies, authorities, and entities invest no less than 40%, with a goal of 45%, of overall clean energy and energy efficiency benefits of spending to DACs.²³

PSEG Long Island's Alignment with NYS DAC Guidance

PSEG Long Island is committed to developing and delivering programs, services, and other offerings to support low-income customers, as well as DAC customers, and any business / industrial customers who reside within DAC census tracts.

In accordance with statewide guidance for DAC investment and benefits reporting requirements, PSEG Long Island tracks DAC customers as 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. PSEG Long Island will continue to monitor and participate in Climate Act working groups while also submitting all necessary reporting data to NYSERDA that demonstrates 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 1.2 million customers.

PSEG Long Island tracks geographic DAC spending for 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 REAP programs. Starting in 2026, PSEG Long Island tracks income-eligible program participation across three different categories:

- DAC compliant low-income (60% SMI)
- Non-DAC compliant but still eligible for income-qualified programs:
 - 60% Area Median Income (AMI) and
 - 80% AMI

PSEG Long Island's BEE Plan (**Chapter 4**) identifies enhanced incentives and bonuses for customers located in DACs as well as energy affordability programs for LMI customers. The

²² New York State. Investments and Benefits Reporting Guidance. (See **Appendix E** for URL addresses).

²³ New York State Assembly Bill No A10008 (See **Appendix E** for URL addresses).

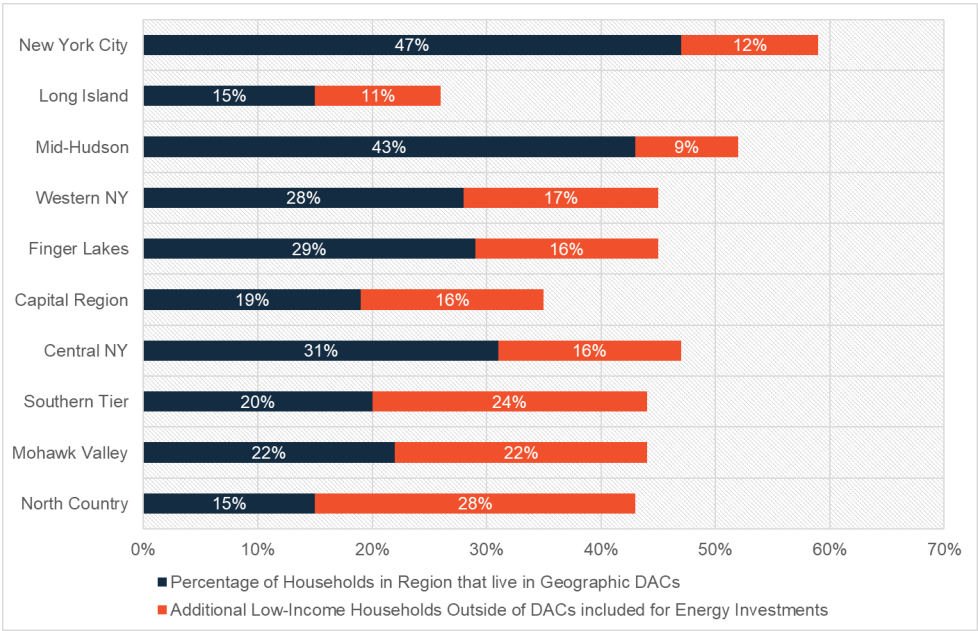


total LMI portion is approximately \$19.87 million for 2027.²⁴ Lastly, the Make Ready Program and the EV Program offer enhanced incentives for customers in DAC census tracts, as detailed in **Chapter 3**.

By tracking customers by census tract and state DAC designation, the Utility can better market specific programs to these customers and comply with reporting requirements for clean energy investments in DACs. PSEG Long Island can also retrospectively report on how programs impacted DACs, which is also required for DAC reporting. PSEG Long Island will submit the DAC Report annually to NYSERDA, detailing progress made within initiatives that benefit DAC customers.

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 45% (**Figure 1-7**).²⁵ Based upon current reporting guidance across applicable spending categories, over 50% of 2024 and 2025 spend was directly attributed to benefiting DACs. This reflects an increase from 41% in 2020, surpassing both the state goal of 45% and the initial forecast of 26%.

Figure 1-7. Percentage of Households in DAC Criteria for Allocating Clean Energy Investments by New York Region



²⁴ DAC enhancements and spend for Transportation Electrification Programs are not included in this figure.
²⁵ 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 addresses).



The Regional Clean Energy Hubs Program, run by NYSERDA, provides education and resources to LMI customers on Long Island.²⁶ 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.²⁷ During monthly calls, the Clean Energy Hub, PSEG Long Island, LIPA, and TRC, collaborate on upcoming outreach events, review program materials and program changes, share customer success stories, and review workforce development initiatives, in addition to other topics.

1.3. PSEG Long Island Supports New York State Policies and Objectives

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.²⁸ The final Scoping Plan was approved and released in December 2022. The Scoping Plan 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 outlined the objectives in **Figure 1-8**.²⁹

²⁶ Regional Clean Energy Hubs Program and NYSERDA's Find Your Clean Energy Hub Tool. (See **Appendix E** for URL addresses).

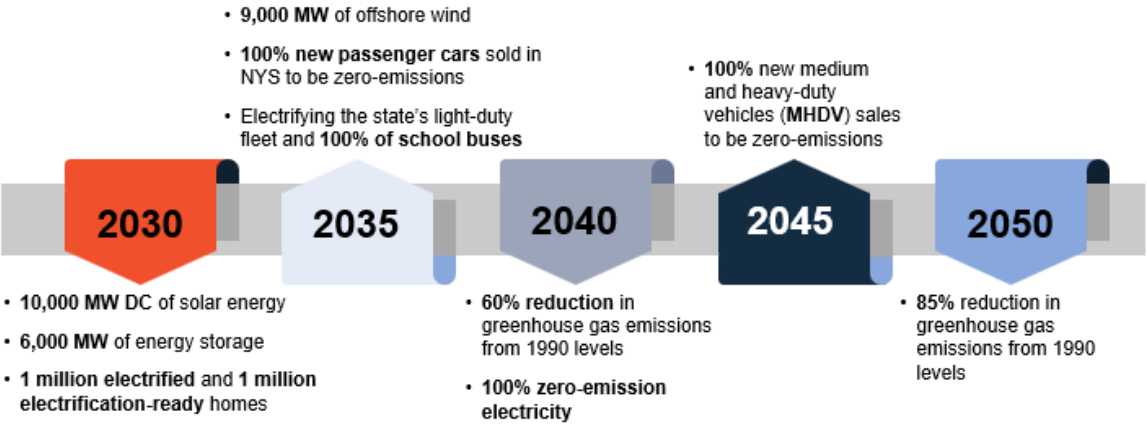
²⁷ Long Island Clean Energy Hub. (See **Appendix E** for URL addresses).

²⁸ New York State Climate Action Council, Scoping Plan, Full Report (dated December 2022). (See **Appendix E** for URL addresses).

²⁹ The 2027 Budget Bill signed by Governor Hochul on May 26, 2026, included significant changes to the CLCPA, including moving the 2030 statewide requirement to reduce GHG emissions by 40% to a 60% reduction in statewide GHG levels by 2040. (See **Appendix E** for URL addresses).



Figure 1-8. NYS Climate Act Timeline of Objectives (2030 – 2050)³⁰



Beyond the CLCPA, New York State has begun emphasizing a broader set of regulatory directives that shape how clean energy goals are pursued alongside affordability and system reliability amidst accelerating load growth. PSEG Long Island works closely with the DPS, LIPA, and NYSERDA to align its Utility 2.0 initiatives with evolving statewide guidance and to ensure programs adapt to changing system needs and customer impacts. PSEG Long Island supports the State’s objectives both in and outside of the Utility 2.0 and BEE programs.

1.3.1. Utility 2.0 and BEE Contributions to NYS Policies and Objectives

PSEG Long Island’s Utility 2.0 and BEE initiatives directly contribute to the statewide clean energy goals for Energy Efficiency, Heat Pumps, Transportation Electrification, Energy Storage, and Solar Photovoltaics (PV).

PSEG Long Island’s continued progress towards CLCPA goals is reported annually in a public-facing dashboard located on the PSEG Long Island website and is submitted to the DPS during the quarterly reporting process.³¹

³⁰ See the following resources pertaining to NYS Climate Act objectives and goals: Renewable Energy – Powering New York State; New York Advanced Clean Car Regulation; 2022 New York State of the State; New York Advanced Clean Trucks Regulation. (See **Appendix E** for URL addresses).

³¹ Climate Leadership and Communication Protection Act and PSEG Long Island Contributions. (See **Appendix E** for URL addresses).



2030 NYS Clean Energy Goal Projections

PSEG Long Island's Utility 2.0 portfolio supports the objectives set forth in the Climate Act through a coordinated set of programs focused on distributed solar, energy storage, and transportation electrification. The Climate Act's objectives are centered around energy efficiency and heat pumps, which are supported through the customer programs offered under the Utility's BEE portfolio.

Table 1-1 reflects 2030 NYS clean energy goals / projections and an updated view of how PSEG Long Island is continuing to support these objectives. It is important to note that NYS does not currently define a specific 2030 goal for EE.

Table 1-1. PSEG Long Island's Contributions to NYS 2030 Clean Energy Goals

Category	NY State 2030 Goal / Projection	PSEG Long Island Actuals as of Q4 2025	Initiatives that contribute to the NYS Goal / Projection ³²
Energy Efficiency	TBD ³³	7.58 TBtu	• BEE Programs (BEE Plan)
Heat Pumps	1,000,000 dwellings ³⁴	17,064 dwellings	• BEE Programs (BEE Plan)
Electric Vehicles	100% of LDV sales are zero emissions vehicles (ZEVs) (by 2035) ³⁵	87,902 EVs	• EV Programs • Make Ready Programs • Managed Charging
Energy Storage	6,000 MW ³⁶	39.8 MW	• Retail Energy Storage Program • Residential Energy Storage System Incentive Program • Bulk Energy Storage Solicitation
Solar PV	10,000 MW DC ³⁷	1,239 MW DC	• Solar PV Incentives

Prospective benefits for DACs are called out in **orange text**

³² DACs and goals are tracked per Disadvantaged Communities Investments and Benefits Reporting Guidance for New York State Entities. (See **Appendix E** for URL addresses).

³³ The statewide goals for 2030 for EE are still to be determined by New York State.

³⁴ 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.

³⁵ The 2030 statewide goal is to be determined. The 2035 goal is based on Advanced Clean Cars II and reflects only EV sales.

³⁶ Governor Hochul's 2022 State of the State Book at page 146. (See **Appendix E** for URL addresses).

³⁷ Governor Hochul Announces Expanded NY-Sun Program to Achieve at Least 10 Gigawatts of Solar Energy by 2030. (See **Appendix E** for URL addresses).



1.3.2. Other PSEG Long Island Contributions to NYS Policies and Objectives

PSEG Long Island and LIPA also support state priorities in several ways that go beyond the initiatives included in the Utility 2.0 and BEE Plans, including utility-scale solar, offshore wind, and battery storage. Additionally, the Utility's Time-of-Day (TOD) Rates and involvement in the Coordinated Grid Planning Process (CGPP) further advance PSEG Long Island's contribution to statewide policies and objectives. The Utility 2.0 team monitors these efforts to minimize redundancy across the company, integrate lessons learned into program and portfolio design, and ensure Utility 2.0 initiatives remain coordinated with broader utility and state-led investments.

Distribution System Implementation Plans & Coordinated Grid Planning Process

PSEG Long Island recognizes that the New York State guidance around Distribution System Platforms (DSPs) and Distribution System Implementation Plans (DSIPs) ordered by the PSC and filed by the JU is dynamic.³⁸ While PSEG Long Island is not required to file a DSIP, the Utility will continue to draw on emerging distribution planning concepts from the statewide DSIP framework in advancing its Utility 2.0 Plans. The Dynamic Load Management (DLM) Tariff programs are designed to enable DER adoption and to align with New York State distribution planning guidance. Additionally, the Active Managed Charging Pilot proposed this year under Transportation Electrification is intended to support load management and wider utility flexibility efforts.

In parallel, PSEG Long Island is actively engaging with the DPS and other stakeholders to stay up to date on developments associated with the CGPP,³⁹ which will coordinate transmission and distribution planning across New York State to support renewable energy growth. The CGPP completed its initial cycle of statewide modeling and system assessment work in late 2025 and early 2026. As of this Utility 2.0 Plan submission, the PSC has not issued a final order adopting specific CGPP investment recommendations.⁴⁰ PSEG Long Island continues to monitor DPS and PSC actions related to the CGPP. In March 2026, PSEG Long Island also issued a Clean and Non-Emitting Resources Request for Information (RFI) on behalf of LIPA to assess a broad range of demand-side, distributed, and other non-emitting solutions to support future system needs and reliability planning.⁴¹

³⁸ PSC Case 16-M-0411. (See **Appendix E** for URL addresses).

³⁹ PSC Order 20-E-0197. (See **Appendix E** for URL addresses).

⁴⁰ Joint Utilities of New York, *Request for Extension to File CGPP Report*, December 16, 2025. (See **Appendix E** for URL addresses).

⁴¹ 2026 Clean & Non-Emitting Resources RFI. (See **Appendix E** for URL addresses).



Bulk and Utility-Scale Energy Storage

Long-duration energy storage is a critical component of New York State's clean energy strategy, supporting grid reliability and flexibility as the State integrates increasing levels of intermittent renewable generation. This need is amplified by the electrification of building heating, which is expected to shift and increase electric demand during winter months when renewable output is typically lower. As a result, bulk and utility-scale energy storage resources are essential to maintaining winter reliability while advancing CLCPA objectives.

PSEG Long Island has contributed to these statewide objectives through multiple utility-scale energy storage initiatives, including the installation of two Front-of-The-Meter (FTM) Bulk Energy Storage Systems (BESS) in East Hampton and Montauk in 2018 and 2019, providing a combined 10 MW (40 MWh each) of storage. In 2021, PSEG Long Island issued a Request for Proposal (RFP) for BESS, resulting in the successful procurement of 129 MW of energy storage capacity. PSEG Long Island will continue to monitor market trends and will determine in the near future if additional utility-scale applications are appropriate.

Distributed Energy Resources (DERs)

New York State policy emphasizes a broader portfolio of distributed and large-scale energy resources to enhance grid reliability, flexibility, and resilience as the electric system transitions toward a low-carbon future. In addition to solar deployment explicitly defined in the CLCPA, the State has advanced complementary resources, including offshore wind, energy storage, and other DERs, to address seasonal load variability, support winter reliability and summer peak periods, and reduce dependence on fossil-fueled generation.

PSEG Long Island has supported these objectives through the integration of DERs and large-scale clean energy resources outside the Utility 2.0 portfolio. PSEG Long Island has also modified its Locational System Relief Value (LSRV) zones, enabling better price signals to those areas that could benefit from additional DERs. Additionally, Long Island hosts New York State's first operational offshore wind facility. The 132 MW South Fork Wind project, which began commercial operation in 2024, provides a reliable source of clean energy during high-wind winter months. In parallel, PSEG Long Island continues long-term grid and transmission planning, DER interconnection support, and hosting capacity analysis to enable emerging technologies, such as energy storage, microgrids, and future dispatchable zero-emission resources.



Time of Day Rates

In March 2023, the LIPA Board voted to implement new residential TOD rates.⁴² As a result, PSEG Long Island established 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 overnight, when overall energy usage is low, and is expected to benefit EV owners who charge their vehicles at night and other shiftable high loads such as pool pumps.

As of January 2026, PSEG Long Island successfully enrolled over 900,000 residential customers in the TOD rates. The program continues to maintain a 95% participation rate and the project has transitioned to business-as-usual operations in 2026.⁴³ As part of the program implementation, the project team established a Randomized Control Trial (RCT) with migration Groups 1, 2, and 3 to study the impacts of the TOD rate transition and forecast full scale impacts. Through the strategic approach to migration and effective customer communications, the team was able to achieve the following beneficial outcomes:

- 1.3% peak-hour reduced on summer weekdays.
- 32 MW reduction estimated for top system load days.
- Greatest demand reduction occurred on days with temperatures over 90 degrees.
- Opt-in Super Off-Peak Rate 195 customers had 4% peak hour reduction on summer weekdays.
- High peak users shifted more with non-benefitters decreasing peak usage by more than 2.2%.
- EV owners decreased peak usage by 2.4%, with non-benefiter EV owners decreasing peak by 4%.

To reinforce messaging about the TOD rates, the public website and social channels continue to be updated with the latest information on TOD, including videos, tips, and frequently asked questions, along with other educational materials to help customers learn more about the new rates and how to shift and save.⁴⁴ The team also continues to host virtual and in-person forums with communities to share information about the rates. Customers can view their personalized rate comparisons in their PSEG Long Island My Account or Mobile App through use of the Rate Comparison tool. Though migration specific communication campaigns have concluded, the team continues to build educational

⁴² LIPA Time-of-Day Rate. (See Appendix E for URL addresses). 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 higher cost peak to lower cost off-peak hours. The TOD rates also provide customers with additional control over their ability to save money as well as to reduce carbon emissions on Long Island.

⁴³ As of June 2026

⁴⁴ PSEG Long Island Time-of-Day Rate. (See **Appendix E** for URL addresses).



information into ongoing customer communications and monitor customer feedback to determine if additional or updated messaging is needed. This includes personalized emails, web portals, and customer service representative tools leveraging Artificial Intelligence (AI) enabled Advanced Metering Infrastructure (AMI) disaggregation to break down end uses of electricity (e.g., EVs, pool pumps, Air Conditioning (AC), etc.) as well as highlight key appliances driving remaining on-peak usage and encourage additional shift and save opportunities.

1.4. Looking Ahead to the Future

PSEG Long Island’s 2026 Utility 2.0 Filing and 2027 BEE Plan represents a one-year outlook and budget request for 2027. Anything beyond 2027 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.

2. Demand Flexibility & Distributed Energy Resources

*2026 Utility 2.0 Plan Annual Filing
and Building Efficiency &
Electrification Plan*



2. Demand Flexibility & Distributed Energy Resources

Demand flexibility and DERs are increasingly critical system resources for New York State, enabling utilities to manage load growth, maintain reliability, and moderate customer costs while advancing state climate goals. DERs, including Energy Storage Systems (ESS), solar PV panels, Demand Response (DR), and other load-flexibility technologies, allow for more efficient use of the electric grid by reducing load during peak periods to diminish strain on distribution infrastructure as well as decrease expensive capacity and fuel costs.

New York State policy has explicitly elevated load flexibility and grid modernization through several efforts, including the Grid of The Future study, to support the state's ambitious Climate Act goals and foster the development of a decentralized and community-based energy model. PSEG Long Island supports the state's objectives through ongoing initiatives, which help to meet increasing energy demands, while maintaining the reliability and resiliency of the State's energy infrastructure.

This chapter presents the core of PSEG Long Island's demand flexibility portfolio, which focuses on customer- and program-driven actions to shift or reduce load. Demand flexibility solutions enable broader grid flexibility, support the integration of reliable DERs, and respond to evolving demand conditions. While other programs across the portfolio also contribute to these outcomes, the initiatives described in this chapter represent PSEG Long Island's most direct and impactful application of flexible demand solutions. These resources span a range of capabilities, from behavioral and price-responsive load shifting to more advanced, utility-coordinated solutions, reflecting a progression in leveraging customer-sited technologies to support system needs.

PSEG Long Island's DLM Tariff programs are a cornerstone of demand flexibility, providing market-based mechanisms for reducing peak demand since their introduction in 2016, in alignment with New York State's Reforming the Energy Vision (REV) objectives. These programs enable customer-sited and aggregator-enabled resources to serve as system assets during critical periods and complement broader NYS priorities, including New York's 6,000 MW by 2030 energy storage target under the NYSERDA / DPS roadmap, and the 10,000 MW DC distributed solar goal under the Climate Act.^{45,46,47} PSEG Long Island supports these objectives through numerous targeted programs, including the Residential Energy Storage System Incentive Program and the proposed Retail Energy Storage

⁴⁵ DPS: State of Storage in New York. (See **Appendix E** for URL addresses).

⁴⁶ New York State Climate Action Council. Scoping Plan – Full Report December 2022. (See **Appendix E** for URL addresses).

⁴⁷ Renewable Energy – Powering New York State. (See **Appendix E** for URL addresses).



Program (both funded outside of the Utility 2.0 Portfolio), as well as prior Utility 2.0 initiatives such as hosting capacity studies and Behind-The-Meter (BTM) Storage Plus Solar offerings. Together, these initiatives advance market adoption, enhance grid flexibility and reliability, and support clean peak management and broader climate goals. This chapter outlines these strategic initiatives described above.

Chapter Contents

Project	2026 Status	2027 Status	Page #
DLM Tariff Programs	Active	Active	18
DLC (Smart Savers and BYOB Programs) ⁴⁸	Active	Active	20
Other Thermostat Demand Flexibility Support	Proposed	TBD	23
CSRP / DLRP (Demand Response)	Active	Active	23
Retail Energy Storage Program	-	-	33
Residential Energy Storage System Incentive Program	-	-	36
Solar PV (Residential and Commercial)	-	-	41

DLM Tariff and Demand Flexibility Portfolio Budget Summary

The 2027 budget requests for the DLM Tariff and Demand Flexibility initiatives within the Utility 2.0 Portfolio are shown in **Table 2-1** below. Initiatives that will be funded from sources outside of the Utility 2.0 Portfolio are not reflected in this table. The 2027 budget request has been realigned to include proposed programs aimed at expanding demand flexibility. Further details on justification and cost drivers for these programs can be found in the subsequent sections within this chapter.

Table 2-1. Demand Flexibility & DERs 2027 Budget Requests within Utility 2.0 Portfolio⁴⁹

Project	Capital 2027 (\$M)	O&M 2027 (\$M)	Total 2027 (\$M)
DLM Tariff and Demand Flexibility Programs	0.00	7.50	7.50
Demand Flexibility Total	0.00	7.50	7.50

⁴⁸ The BYOB Program is nested under the CSRP / DLRP in 2026; however, starting in 2027 it will be nested under the DLC Program. As a result, narrative for the BYOB Program is included under **Section 2.1.1** to highlight this change for 2027.

⁴⁹ The budgetary values presented in this table are rounded to the hundredths decimal place.



2.1. DLM Tariff and Demand Flexibility Programs

2026 Status	Active
2027 Status	Active
Start Year	2016
End Year	TBD
Description and Justification	PSEG Long Island's DLM Tariff and Demand Flexibility Programs provide market-based mechanisms to reduce peak demand, improve grid reliability, provide system relief, and support integration of customer-sited flexible resources such as smart thermostats and energy storage. These programs deliver cost-effective load relief, enhance system resiliency, and help defer more costly distribution infrastructure investments.
Key Targets	DLC (Smart Savers and BYOB): 95 MW forecasted load reduction for 2027 CSRP/DLRP: 15 MW forecasted load reduction for 2027

The DLM Tariff consists of Direct Load Control (DLC) and DR offerings that target a wide range of customer segments. DLC includes the Smart Savers Program which enables residential and small commercial customers to participate through controllable end-use technologies such as smart thermostats. The DLC also includes the Bring-Your-Own-Battery (BYOB) Program, enabling the coordinated dispatch of customer-sited assets during system peak conditions. The DR offerings are composed of the Commercial System Relief Program (CSRP) and the Distribution Load Relief Program (DLRP), where CSRP provides system-wide load relief with advance notice, while DLRP targets rapid, localized load reductions in designated areas. The CSRP and DLRP programs enable participating eligible customers to be compensated for reducing their load under certain conditions when called upon by the Utility to do so during peak periods within the season (formally known as the Capability Period), which is May 1 – September 30, typically with Energy Management Systems (EMS), onsite stand-by emergency generation, and/or ESS.

Together, the DLM Tariff programs provide impactful peak load reduction, enhance grid flexibility, and support the integration of DERs by creating clear price signals for flexible load behavior. There is strong overlap between the customers enrolled in the DLRP and the CSRP. The program currently has 14 approved market aggregators approved with a cumulative portfolio of ~1,082 customers from various market segments. In 2025,

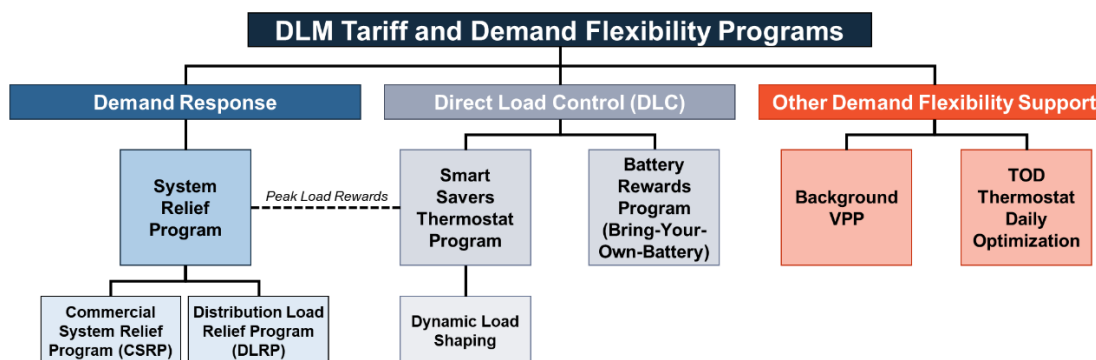


approximately 825 residential customers participated in the CSRP and DLRP, and of that total, 450 residential customers also participated in the BYOB Program.⁵⁰

Since January 1, 2024, the DLM Tariff allows participating BTM energy storage customers to elect direct metering of battery output to verify load relief performance, as an alternative to measuring load relief at the Utility AMI meter and using the 10-Day Weather Adjusted Baseline Methodology.⁵¹ Under this option, battery storage Original Equipment Manufacturers (OEMs) measure and report ESS performance (kW/kWh) during load relief and test events via secure, real-time Application Programming Interface (API) data exchanges through PSEG Long Island’s third-party vendor, which are used for performance evaluation and compensation.

The figure below shows the framework of the DLM Tariff and other Demand Flexibility Programs. This figure also includes the associated terminology used for the programs internally within PSEG Long Island and amongst regulatory authorities as well as how they are marketed to the general public on PSEG Long Island’s website.

Figure 2-1. DLM Tariff and Demand Flexibility Programs – Framework



⁵⁰ 150+ additional Battery Storage Direct Metering participants enrolled post June 2025 late enrollment period. The program allows year-round enrollments. Outside of enrollment period, participants are on a voluntary basis until the enrollment period begins.

⁵¹ Dynamic Load Management Tariff Programs Program Guidelines and Operational Procedures. (See **Appendix E** for URL addresses).



2.1.1. DLC (Smart Savers and BYOB) Programs

2.1.1.1. Scope Description

Smart Savers Thermostat Program

The Smart Savers Thermostat Program allows PSEG Long Island to curtail usage of central AC systems in homes or small businesses. Customers must utilize an approved thermostat and enroll in the Smart Savers Thermostat Program. Approved thermostat providers market and promote the program to potential customers. The device is required to be an internet-connected thermostat registered with the program administrator and linked to PSEG Long Island through an enrollment portal. PSEG Long Island can initiate a load-reduction curtailment event during the program period as needed. For 2027, PSEG Long Island plans to incorporate a new feature, termed Dynamic Load Shaping (DLS), into the Smart Savers Thermostat Program with the aim of providing a more consistent and reliable load reduction throughout the entire event.

Bring Your Own Battery (BYOB) Program

The BYOB Program allows residential customers to earn incentives for discharging battery energy storage to the grid during utility call events (occurring May 1 – September 30). Storage systems paired with a solar PV system will continue to be eligible for this program in 2027. Customers are enrolled through battery manufacturers / OEMs who communicate with each enrolled system and determine incentive rates.

2.1.1.2. Notable Changes

2026

As the BYOB is a part of the CSRP and DLRP, the reservation amounts increased as of February 1, 2026. The 2026 CSRP reservation payment increased approximately 33% from 2025 to \$6.69/kW/month. The DLRP reservation payment is \$4.01/kW/month. A customer participating in both could receive a maximum reservation payment of \$10.70/kW and a performance payment of \$0.25/kWh of measured load relief.

PSEG Long Island is currently evaluating enhanced customer engagement strategies to expand participation within the DLC Program, including adjustments to the upfront participation incentive for the Smart Savers Thermostat Program (see 2027 Notable Changes below for more details). PSEG Long Island is working with LIPA on a benchmarking effort to identify and evaluate other possible opportunities for the DLM Tariff programs. Results from this study are anticipated to be completed in 2026.

Additionally, PSEG Long Island is working with Demand Side Analytics (DSA) to conduct a potential study to determine how many residential homes on Long Island have central AC.



The results from this study will help PSEG Long Island establish a baseline for the number of homes with and without central AC, so that the Utility can set targets for program enrollment more accurately.

2027

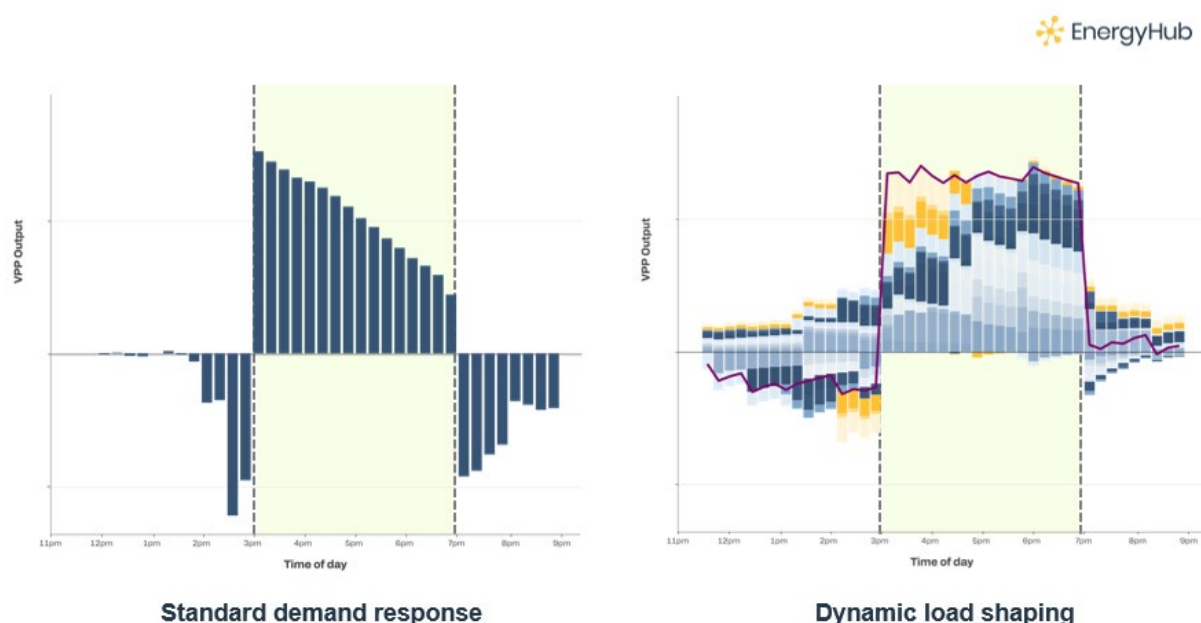
PSEG Long Island will transition the BYOB Program from the CSRP / DLRP into the DLC Program starting for the 2027 Capability Period to better align ESS technology applications with the operational design and dispatch framework of the DLC Program, rather than the CSRP / DLRP.⁵² PSEG Long Island is currently evaluating the incentive structure for the BYOB program in 2027 given its transition into the DLC Program.

PSEG Long Island plans to integrate EnergyHub's Dynamic Load Shaping offering into the Smart Savers Thermostat Program for 2027. This is an optional enhancement offered by EnergyHub and does not require separate customer enrollment. For a cost to the Utility of \$2.50/device, this feature would allow for a more dynamic and personalized approach to customer participation in curtailment events with the goal of delivering more reliable, consistent peak load savings throughout the event and mitigating the "snapback" effect to reduce secondary peaks. Rather than utilizing a one-size-fits-all approach wherein customers participate in curtailment for the full defined period with the same thermostat reduction, Dynamic Load Shaping leverages smart thermostat capabilities to learn customer preferences, including past behaviors, and tailor thermostat adjustments accordingly with a staggered dispatch to increase consistency and reliability of load savings, as seen in **Figure 2-2**. Smart Savers Thermostat Program participants with load shaping technology will still experience small and temporary thermostat adjustments, enabling the Utility to achieve its target load shape (*i.e.*, peak reductions) during peak-demand periods with fewer customer opt-outs. Additional details on Dynamic Load Shaping are provided in **Table 2-3**.

⁵² This planned activity is a direct result of the recommendations received from the DPS in response to the 2025 Utility 2.0 Plan. (See **Appendix E** for URL addresses).



Figure 2-2. Smart Savers Program with and without Dynamic Load Shaping⁵³



PSEG Long Island is also exploring the following potential adjustments to the enrollment and curtailment incentives for the Smart Savers Thermostat Program in 2027 with the aim of balancing both program enrollment and participation:

- Provide an upfront instant rebate of \$50 (currently \$120) for customers who purchase a thermostat through the PSEG Long Island Marketplace contingent on enrollment in the program.
- Provide a \$50 Smart Savers incentive (currently \$85) when the customer completes enrollment for the program. This payment also applies to customers who purchase a thermostat outside of PSEG Long Island's Marketplace and subsequently enroll in the Smart Savers program.
- Provide a \$50 payment (currently \$25) for each subsequent year a customer remains in the program (year two through year five), as long as they fully participate in a minimum of 50% of all curtailment events during that season. The increase in annual incentive payments is intended to encourage more frequent participation in demand response events and reduce the likelihood of customers opting out by adjusting their thermostat settings.

⁵³ Source: EnergyHub, Inc. Visual adapted by PSEG Long Island for illustrative purposes.



PSEG Long Island also plans to incorporate auto-enrollment functionality for PSEG Long Island Marketplace-purchased smart thermostats.

2.1.1.3. Schedule Implementation

The projected schedule for implementation of the activities described above is provided in **Table 2-2** below.

Table 2-2. Implementation Schedule – DLC Program

Workstream	2026				2027			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
DLC Program								
Adjust upfront participation incentives for smart thermostats								
Implement smart thermostat Marketplace auto-enrollment								
Transition BYOB Program to DLC Program								

2.1.2. Other Thermostat Demand Flexibility Support

2.1.2.1. Background Virtual Power Plant

PSEG Long Island’s platform provider, EnergyHub, is now offering a program called Background Virtual Power Plant (VPP). This opt-in program leverages smart thermostat capabilities to provide small thermostat adjustments (“micro-adjustments”) for customers with central AC within PSEG Long Island’s service territory. This approach is designed to expand demand flexibility by allowing 45,000 additional enrolled devices to participate in supplemental event-based programs. These program participants would contribute to system needs on an ongoing basis without requiring active customer engagement. See **Table 2-3** below for a distinction between Dynamic Load Shaping and Background VPP.



The Background VPP operates through a set of core design features that define how customers participate and how demand flexibility is delivered:

- Customers enroll by affirmatively selecting an option to opt-in to support grid reliability and emissions reduction when setting up their smart thermostat device or through an updated selection within the thermostat app or OEM web portal.
- Customer participation is passive, delivered through continuous, minimal thermostat micro-adjustments designed to maintain customer comfort while providing a cumulative system benefit.
- Thermostat adjustments are tailored to customer behavior based on observed temperature preferences and tolerance.
- Customers retain control of their devices and are able to opt out by simply adjusting the temperature on their thermostat. Customers also have the ability to opt-out of the program fully at any time in their thermostat web or mobile application settings.

This proposed offering emphasizes customer consent, transparency, and data privacy. PSEG Long Island would not receive individual customer control rights or personally identifiable device-level data, mitigating concerns related to perceived utility control over in-home devices and potential reputational risk. Accordingly, PSEG Long Island proposes including this scoped support offering for 2027 as a supplemental grid flexibility measure, subject to continued coordination with EnergyHub and regulators to ensure appropriate safeguards are in place. The peak load savings potential for this offering is dependent on the duration and number of curtailment events, with higher savings potential for shorter events as customers are less likely to opt-out. Based on a conservative estimate provided by the platform provider, this offering could yield a cumulative 20 MW of peak load savings per year.



Table 2-3. Dynamic Load Shaping and Background VPP

Category	Smart Savers		Background VPP
	Current Program	With Dynamic Load Shaping	
Audience	Customers participating in the Smart Savers Program.	Customers participating in the Smart Savers Program.	- Customers who voluntarily opt-in to Background VPP through the smart thermostat OEM's app / website. - May or may not be enrolled in Smart Savers.
What it does	- Call events where enrolled thermostats increase setpoints during peak periods. - Applied uniform control strategies across participating devices during event windows.	- Tailored thermostat adjustments based on customer preferences. - Uses an AI-driven optimization strategy to automatically stagger dispatch to achieve a flat load shed.	- Leverages “micro-adjustments” (smaller temperature adjustments of less than a few degrees) to minimize customer disruption. - Calls additional “event days” throughout the season, beyond those called for Smart Savers.
Goal	- Reduce peak demand during called event hours. - Deliver reliable, event-based load reductions across the enrolled customer base.	- Reduce customer opt-outs on curtailment days. - Achieve more consistent load relief during the full three-hour period.	- Increase MW deployed by calling on a greater number of thermostats and a greater number of days. - Use micro-adjustments to achieve a measurable impact across aggregated devices.

2.1.2.2. TOD Daily Thermostat Optimization

PSEG Long Island proposes a targeted customer outreach and analytics initiative to accelerate adoption of the TOD thermostat features among PSEG Long Island customers. Several manufacturers have in-app, opt-in TOD modes or settings that can leverage PSEG Long Island’s TOD rate programs to provide greater customer savings. This automation feature can set a thermostat to pre-cool prior to peak hours, then make small incremental adjustments to increase the temperature setting a few degrees during the peak period, thereby reducing peak usage daily, reducing peak demand and lowering customers’ bills.

This proposal for 2027 includes coordinated thermostat OEM customer engagement such as email and in-app marketing campaigns designed to inform customers that PSEG Long Island now has default TOD rates and to encourage customers to optimize their Heating, Ventilation, and Air Conditioning (HVAC) usage by enabling these TOD features.



The operational test also includes sharing runtime data with PSEG Long Island's third-party evaluator to provide visibility into energy, demand, and customer bill savings impacts. This initiative will provide PSEG Long Island with measurable customer engagement outcomes and relevant insights into TOD-driven customer behavior during the peak summer season. The program objectives include:

- Increase customer awareness of PSEG Long Island's standard TOD rates
- Drive incremental adoption of the thermostat TOD feature among existing smart thermostat customers
- Share runtime data associated with TOD feature enablement and provide visibility into daily load shifting impacts from TOD optimization

The value of this initiative to PSEG Long Island in support of the DLM Tariff Programs includes the following:

- Provides daily energy savings to customers through automated TOD management, including associated bill savings, and increases customer satisfaction with TOD transition
- Accelerates customer engagement with default TOD rates without requiring additional hardware installation or customer incentives
- Generates measurable insights into customer behavior and load shifting enabled by automated TOD optimization
- Supports broader TOD education, peak management, and long-term demand flexibility strategies
- Establishes a framework to inform future TOD-aligned marketing or demand-side initiatives

2.1.3. CSRP / DLRP (Demand Response)

2.1.3.1. Scope Description

CSRP (Demand Response)

The CSRP, as a part of the System Peak Rewards Program, allows market forces to identify and implement load relief measures that may avoid the need for new distribution capacity at specific locations along the T&D system.

The CSRP offers several features to both direct participants, defined as those who have a contracted load of 50 kW or more, and load relief aggregators. The program scope consists of:



- Monthly reservation payments per kW for commitments to reduce load on 21 hours' notice. Participants can receive monthly reservation payments for both CSRP and DLRP, if eligible per the Tariff.
- Performance payments for each kWh of energy curtailed during a "called" Load Relief Event (LRE) consistent with the DLM Tariff.⁵⁴ Participants are only able to receive performance payment for load reduced during a called event for either CSRP or DLRP.

Direct participants and aggregators may participate by reducing or deferring load or utilizing dispatchable onsite generation options to reduce their load on the system. Generation options must meet strict emissions criteria to be eligible for the program. AMI is also required of all customers enrolled in the program. All load reductions 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.

DLRP (Demand Response)

The DLRP, as a part of the System Peak Rewards Program, creates the opportunity to reduce electric load in certain designated zones or "load pockets" on PSEG Long Island's distribution 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 2-hours' notice (rapid load response for localized grid needs). Participants can receive monthly reservation payments for both CSRP and DLRP, if eligible per the Tariff.
- Performance payments for each kWh of energy curtailed during an LRE consistent with the DLM Tariff. Participants are only able to receive performance payment for load reduced during a called event for either CSRP or DLRP.
- Locational premiums for load pocket areas or areas that PSEG Long Island designates as an area requiring distribution relief.

The participation criteria described above for CSRP also applies for DLRP.

⁵⁴ PSEG Long Island determines when a LRE should be initiated and notifies the individual participants or aggregators via PSEG Long Islands' contractor's Portal.



2.1.3.2. Notable Changes

2026

PSEG Long Island is currently evaluating engagement strategies to expand participation within the CSRP and DLRP, including multi-channel campaigns to build awareness and drive customer enrollment.

As mentioned above, PSEG Long Island is working with DSA to conduct a potential study to examine both residential and commercial customers. The second part of the study will focus on evaluating commercial customers to help determine the types of commercial entities and associated load levels. This study will help PSEG Long Island better identify customers most likely to participate in CSRP / DLRP and support more targeted outreach.

2027

PSEG Long Island plans to implement the following changes to the CSRP and DLRP program offerings starting in 2027:

- Apply strategies informed by customer engagement evaluation outcomes, including:
 - Targeted outreach campaigns to customers using PSEG Long Island commercial account representatives
 - Enhanced trade-ally program and education with aggregators
- Improve reconciliation calculation process for DLM programs

Additionally, to prevent customers from receiving both CSRP and DLRP and Net Energy Metering (NEM) benefits, PSEG Long Island will work with LIPA Staff to propose DLM Tariff modifications for consideration by the LIPA Board. PSEG Long Island also plans to work with LIPA Staff to propose an amendment to the DLM Tariff to allow dual participation in the BYOB and Smart Savers Thermostat Programs since BYOB will be a part of the DLC Program starting in 2027.

There are no planned changes to the reservation payments (\$6.69/kW/month for CSRP and \$4.01/kW/month for DLRP) or the performance payments (\$0.25 per kWh for both).

2.1.3.3. Schedule Implementation

The projected schedule for implementation of the activities described above is provided in **Table 2-4** below.



Table 2-4. Implementation Schedule – CSRP / DLRP

Workstream	2026				2027			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
CSRP / DLRP								
Implement multi-channel campaigns								
Implement enhanced customer engagement efforts (e.g., trade-ally programs with aggregators)								

2.1.4. Open Items

Relevant open items, such as risks, contingencies, and considerations, for the DLM Tariff Program can be found in **Table 2-5** below.

Table 2-5. Open Items – DLM Tariff Programs

Category	Description	Mitigation
DLC (Smart Savers Thermostat) Enrollment Incentive	Adjusting the upfront incentive for the Smart Savers Thermostat Program could decrease program uptake.	Emphasize value statements of annual program participation in customer messaging.
DLC (Smart Savers Thermostat) Enrollment Levels	The Smart Savers Thermostat Program has experienced sustained high levels of enrollment and PSEG Long Island anticipates this trend to continue into 2027 and 2028. If actual enrollment exceeds forecasts, the requested budgets may fall short.	PSEG Long Island's 2027 budget and 2028 projection factor in enrollment levels.

2.1.5. Performance Reporting

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 results from the BCA are included in the DLM Annual Report.⁵⁵ **Table 2-6** shows the enrollment activity for 2025.

⁵⁵ PSEG Long Island 2025 Dynamic Load Management (DLM) Program Report. (See **Appendix E** for URL addresses).



Table 2-6. 2025 DLM Tariff Program Results

Program	2025 Customers	2025 Average Measured Load Reduction (MW)	2025 Curtailment Events	Curtailment Events (2016 - 2025)
DLC ⁵⁶	45,000	46.98 ⁵⁷	3	31
CSRP ⁵⁸	1,532	12.72 ⁵⁹	8	57
DLRP ⁴⁸	1,532	12.41 ⁴⁹	1	50

2.1.6. Budget Reconciliation and Request

The DLM Tariff Programs were previously funded through the BEE Portfolio budget. Beginning in 2027, the administrative service fees for the DLM Tariff Programs along with other demand flexibility support items will be funded through the Utility 2.0 Portfolio Budget. **Table 2-7** below outlines the updated 2026 forecast and 2027 budget request for the DLM Tariff and Demand Flexibility Programs. Unlike other Utility 2.0 initiatives, a 2028 budget projection is not shown for the DLM Tariff Programs as program costs are inherently variable and driven by enrollment levels as well as measured performance during curtailment events, which cannot be reasonably estimated until the conclusion of this year's Capability Period (end of September).

Table 2-7. Capital and Operating Expense Budget, Actual and Forecast (\$M)⁶⁰

Category	Actual (\$M)	Updated Forecast (\$M)	Request (\$M)	Total (\$M)
	2025	2026	2027	
Capital	-	-	-	-
O&M	2.45	4.33	7.50	14.28
Total	2.45	4.33	7.50	14.28

Justification and Cost Drivers

To implement the DLM Tariffs, PSEG Long Island contracts a service provider, EnergyHub, for program services including program management, training, enrollment support, dispatch support, and reporting. For 2027, the projected base contract cost of \$3.85 million with EnergyHub includes fixed and variable fees for the platform. The variable cost is driven by device fees for expected DLC enrollment levels in the BYOB, Background VPP, and TOD Daily Thermostat Optimization programs. Other costs associated with this contract include \$1.50 million for Background VPP, or micro-adjustments to non-enrolled smart thermostats.

⁵⁶ Enrollment is cumulative.

⁵⁷ Number of devices multiplied by the average load shed per device.

⁵⁸ Customers enrolled for the 2025 season, May 1 – September 30.

⁵⁹ Contracted Load Relief.

⁶⁰ The budgetary values presented in this table are rounded to the hundredths decimal place.



The commercial programs operate on a fixed fee, independent of device enrollment. See **Section 2.1.2.1** for more information on these proposed offerings.

Additionally, \$0.50 million is requested to support targeted marketing and analytics in partnership with OEMs and smart thermostat manufacturers to encourage customer use of TOD settings in smart thermostats for daily optimization (see **Section 2.1.2.2** for more details). Additionally, \$0.30 million is also requested to support enhanced marketing and customer engagement efforts across the DLM Tariff Programs to promote participation and enrollment across all programs. PSEG Long Island is in the process of working through enhanced marketing strategies with PSEG Long Island's Customer Experience and Marketing team, which include the following:

- **Smart Savers:** Use targeted, data-driven digital and direct outreach to promote upfront marketplace discount and annual participation incentives among eligible residential customers, with tailored strategies for LMI / DAC segments (*i.e.*, bill inserts, social media campaigns, targeted emails).
- **CSRP / DLRP:** Combine targeted advertising with direct customer engagement and industry partnerships to drive participation among high-load commercial customers (*i.e.*, print and digital ad campaigns, 1:1 outreach via utility account managers, webinars).
- **BYOB + New Battery Storage:** Leverage segmented customer targeting and OEM / developer partnerships to promote battery adoption and participation through value-based messaging (*i.e.*, Targeted emails to existing NEM customers, OEM-led in-app communications, event-based promotion).

The \$1.35 million in internal PSEG Long Island labor is requested to continue support for the administration of the DLM Tariff, Demand Flexibility, and DER programs (including Solar PV, Residential, and Retail Energy Storage). Note that all cost items outside of the base EnergyHub contract cost and the labor cost (which was historically included as an EE/Renewable Energy (RE) Department cost and not requested through the Utility 2.0 Filing or BEE Plan) presented herein are net new budget proposals for 2027.

Table 2-8. DLM Tariff and Demand Flexibility Program Budget Components⁶¹

Cost Item	2027 O&M (\$M)
EnergyHub: Base DLM Tariff Program Contract	3.85
EnergyHub: Other DLM Tariff Programs (Background VPP)	1.50
EnergyHub Total	5.35
TOD Thermostat Daily Optimization	0.50
TOD Thermostat Total	0.50
Internal PSEG Long Island Labor	1.35
Marketing & Outreach	0.30
Administration Total	1.65
Total DLM Tariff and Demand Flexibility Budget	7.50

2.1.7. Successes and Lessons Learned

The DLC programs continue to demonstrate strong peak load reduction performance, particularly during the early portion of events, reinforcing their value as foundational demand flexibility tools. Curtailment event participation remains consistent among BYOB Program participants. In the Smart Savers Thermostat Program, however, observed customer drop-off after the first hour highlights an opportunity to enhance sustained participation across multi-hour events to better align load reduction with system needs.

Building on these insights, PSEG Long Island is evaluating targeted enhancements – such as refined incentive structures and technologies like dynamic load shaping – to support more consistent engagement throughout events while maintaining customer comfort. These learnings position the program to evolve toward more persistent and predictable load flexibility, strengthening overall system reliability and program effectiveness.

⁶¹ The budgetary values presented in this table are rounded to the hundredths decimal place.



2.2. Retail Energy Storage Program

Start Year	2027
End Year	TBD
Description and Justification	PSEG Long Island proposes launching a Retail Energy Storage Program that incentivizes retail storage applications on Long Island for commercial customers, enabling peak load relief benefits (outside of the Utility 2.0 Portfolio). The program will offer annual per-kWh incentives for connected storage capacity with a maximum size of 5 MW / 20 MWh.
Key Accomplishments	2027: 2 total projects enrolled 2028: 2 additional (4 total) projects enrolled

PSEG Long Island has evaluated multiple approaches for advancing FTM and customer-sited energy storage systems as resources to support peak load management, reliability, and grid flexibility on Long Island. Stakeholder and public feedback from the 2025 Utility 2.0 Plan highlighted the limitations of the proposed, site-specific Non-Wires Alternative (NWA) Retail Energy Storage Evaluation in addressing broader system needs. Also, a broader program would help bridge the incentive gap following the phaseout of the federal Clean Electricity Investment Tax Credit (ITC). In response, PSEG Long Island has refined its approach for retail energy storage to support scalable, market-based deployment that can deliver peak demand relief and locational system benefits while aligning with statewide energy storage objectives and tariff frameworks.

PSEG Long Island proposes launching an island-wide Retail Energy Storage Program starting in 2027 to be funded through PSEG Long Island's Fuel & Power Purchase Department. No incremental Utility 2.0 budget for program implementation costs are requested herein. Program administration will be carried out by existing PSEG Long Island staff, with associated costs included in the labor budget request for the Demand Flexibility & DER group, as reflected in **Table 2-8**. As such, the program is presented in this Plan for transparency and awareness, but it will not be considered a Utility 2.0 initiative.

2.2.1. Program Scope, Design, and Implementation

The Retail Energy Storage Program will offer incentives for only new connected standalone storage system installations with a maximum size of 5 MW (20 MWh) located in LSRV zones. Participants will receive a \$/kWh-yr incentive for connected storage by discharging during Demand Reduction Value (DRV) hours. Payments will begin with commercial operation of the system and will be made annually – capped at a maximum of 10 years.

While commercial customers retain ownership of the retail ESS, PSEG Long Island can access the system's data through Supervisory Control and Data Acquisition (SCADA)



systems, allowing PSEG Long Island to control and operate the battery system. PSEG Long Island will review all applications for participation in the program to ensure that all program requirements are met (e.g., size requirements, interconnection locations).

Participants will also be able to receive Value of Distributed Energy Resources (VDER) Tariff compensation along with the incentives offered through the program. The VDER Value Stack compensation offers credits to ESS through four components: Energy, Capacity, Demand Reduction Value, and Locational System Relief Value. To receive all components of the VDER Tariff compensation, systems must (1) discharge during DRV hours (5-hour windows), (2) discharge during the weekday period of June 1 – August 31, and (3) be located in LSRV zones. VDER Tariff compensations are also given to customers on a monthly basis. The VDER statement of payment was updated this year in February in alignment with the 2025 Marginal Cost of Service (MCOS) study, to properly compensate for energy storage systems and align with the rest of the state. The VDER Tariff may also be modified further to align with program requirements.

PSEG Long Island is currently forecasting two projects to participate in the first year of the program (2027) and two more to join in the following year (2028). Implementation of the program is structured to include the following components:

- **Stage 1: Program Design** (Q2 – Q3 2026) – Continue to engage with internal and regulatory stakeholders as well as industry experts to refine all program parameters, customer eligibility requirements, and VDER Tariff considerations.
- **Stage 2: Implementation Preparation** (Q4 2026) – Build upon existing internal systems and processes to set up the program and ensure smooth customer enrollment. Activities will include the development of participant applications, incorporation of necessary billing system updates, establishment of data management processing for tracking enrollment, incentive budgets, and performance metrics, and setting up / testing necessary SCADA and control infrastructure for operating participating batteries.
- **Stage 3: Program Launch** (Q1 2027+) – Launch the program and begin enrolling participants starting in Q1 2027.⁶² Review customer applications and screen for eligibility and technical requirements, including a feasibility review and circuit impact analysis on projects that have applied. Projects that pass the application review and screening phase can be enrolled in the program and begin construction.

⁶² Customer application window will remain open until total allocated annual incentive budget for the year is committed. Incentive payments will be paid to customers on an annual basis once the system is interconnected and operational on the distribution system.



2.2.2. Open Items

Table 2-9 below outlines the open items for consideration on the Retail Energy Storage Program.

Table 2-9. Open Items – Retail Energy Storage Program

Category	Description	Mitigation
Storage Moratoriums	Energy storage moratoria on Long Island are up for extension for 2026 for several townships amid safety concerns. ⁶³ If they are extended beyond 2026, this could pose a timeline risk for vendor acquisition and construction.	Developers will account for moratoria when considering locations for the ESS. The Utility does not have direct authority over moratoria and is therefore continuing its planning efforts with the understanding that resolution of these moratoria remains under consideration by the appropriate entities.
Interconnection Challenges	The current backlog in the interconnection queue along with rigorous review processes required for new projects to interconnect could pose a delay in the timeline for developers.	The PSEG Long Island T&D team will evaluate the queue to prioritize and review any active requests on identified circuit(s). Developers should account for interconnection delays when scoping their projects. During the interconnection process, studies will be conducted to assess the feasibility and cost of interconnection for the ESS.
LSRV Zones	For participants to maximize VDER compensation, they must connect their ESS in an LSRV zone. This restriction could lead to slow uptake of the program.	PSEG Long Island plans to support developers in identifying LSRV zones by leveraging LIPA's recently updated designations.

⁶³ See **Appendix E** for URL addresses.



2.3. Residential Energy Storage System Incentive Program

Start Year	2023
End Year	N/A
Description and Justification	The Residential Energy Storage System Incentive Program enables residential customers to receive upfront incentives to install ESS paired with new or existing solar (funded outside of the Utility 2.0 Portfolio). Customer acquisition is led by participating contractors with PSEG Long Island providing program support.
Key Accomplishments	3,230 residential ESS installed (as of March 2026) ⁶⁴ 28.9 MW total energy storage (as of March 2026) ⁶⁵
Key Targets	10 MW residential storage capacity for ESS also enrolled in BYOB for 2027

The Long Island Single-Family Residential Program (herein referred to as the Residential Energy Storage System Incentive Program) Block 2 Incentive funded by NYSERDA was expected to become fully allocated in May 2024. However, NYSERDA offered to continue the Block 2 Incentive by replenishing the block with a total of \$1.0 million to fulfill budget requirements from late 2024 through the remainder of 2026. Additional budget will be required to maintain program activity levels in 2027.^{66,67}

PSEG Long Island is working with LIPA and NYSERDA to secure budget for the continuation of the program for 2027 and / or identify other opportunities that could spur residential energy storage development. Pending budget approval, PSEG Long Island would continue to administer the program through the remainder of this year and next year. A continuation of budget for residential energy storage systems would minimize market disruption following the expiration of federal tax credit opportunities for residential energy storage. Since budget discussions for this program are still ongoing, no incremental budget to support program implementation is requested through the Utility 2.0 Portfolio at this time. Program administration will be carried out by existing PSEG Long Island staff, with associated costs included in the labor budget request for the Demand Flexibility & DER group, as reflected in **Table 2-8**. As such, the program is presented in this Plan for transparency and awareness, but it is not considered a Utility 2.0 initiative.

⁶⁴ Based on the NYS Standardized Interconnection Requirements (SIR) Inventory (as of March 2026) for residential ESS systems in PSEG Long Island's service territory of storage capacity. (See **Appendix E** for URL addresses).

⁶⁵ Based on the NYS Standardized Interconnection Requirements (SIR) Inventory (as of March 2026) for residential ESS systems in PSEG Long Island's service territory of storage capacity. (See **Appendix E** for URL addresses).

⁶⁶ NYSERDA Retail and Residential Incentive Dashboard. (See **Appendix E** for URL addresses).

⁶⁷ Note that the funding source for this program for the remainder of 2026 is currently pending a joint decision between PSEG Long Island and NYSERDA.



2.3.1. Program Scope, Design, and Implementation

The Residential Energy Storage System Incentive Program is a continuation of the Utility 2.0 BTM Solar Plus Storage Program and was initially developed to support NYSERDA's existing Long Island Single-Family Residential Incentive Program, providing customers with financial support for purchasing and installing ESS. Upfront incentives are currently available through NYSERDA Block 2 funding for residential customers to install ESS paired with new or existing solar, and customer acquisition is driven by participating contractors and supported by PSEG Long Island.⁶⁸

PSEG Long Island's block incentive structure is currently funded through NYSERDA's Residential Block Incentive Program.^{69,70} The block structure is based upon a per kWh of usable installed capacity (\$250/kWh) and is available for PSEG Long Island's residential customers, with higher incentives for LMI / DAC customers. To qualify for incentives, energy storage systems must meet the following requirements:

- Be paired with Solar PV
- Be permanently installed
- Be new and commercially available
- Be certified to UL 1973 and UL 9540 specifications by the time of installation
- Meet all Authority Having Jurisdiction (AHJ) requirements
- Be covered by a minimum 10-year warranty
- Maintain a minimum 70% round-trip efficiency during the system life

Additionally, customers must also enroll their systems in the PSEG Long Island DLM Tariff program to be eligible for the upfront incentive. Customers enrolled in the DLM Tariff Program (specifically the BYOB Program) receive annual performance incentive payments based on the average measured load relief the battery contributes to the grid during critical periods.

⁶⁸ NYSERDA's definition on Low- to Moderate-Income (LMI) and Disadvantaged Communities (DAC) will be used. See additional information on the definition of LMI and DAC: (See **Appendix E** for URL addresses).

⁶⁹ NYSERDA Energy Storage Incentive Dashboard: (See **Appendix E** for URL addresses).

⁷⁰ NYSERDA Incentives for Long Island Residents: (See **Appendix E** for URL addresses).



2.3.2. Open Items

Relevant open items, such as risks, contingencies, and considerations, for the Residential Energy Storage System Incentive Program can be found in **Table 2-10** below.

Table 2-10. Open Items – Residential Energy System Incentive Storage Program

Category	Description	Mitigation
Additional Opportunities	PSEG Long Island is interested in finding new opportunities beyond block funding to support residential energy storage development.	PSEG Long Island will continue to work with NYSERDA and LIPA to identify additional opportunities for residential energy storage.
Program Administration	PSEG Long Island prefers to continue working with NYSERDA in 2027 and 2028 to leverage their application processing platform.	PSEG Long Island will prepare a contingency plan, such as leveraging their existing Customer Relationship Management (CRM), if they are not able to continue utilizing NYSERDA's platform.

2.3.3. Performance Reporting

Residential energy storage provides several key benefits to 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 CJWG.⁷¹

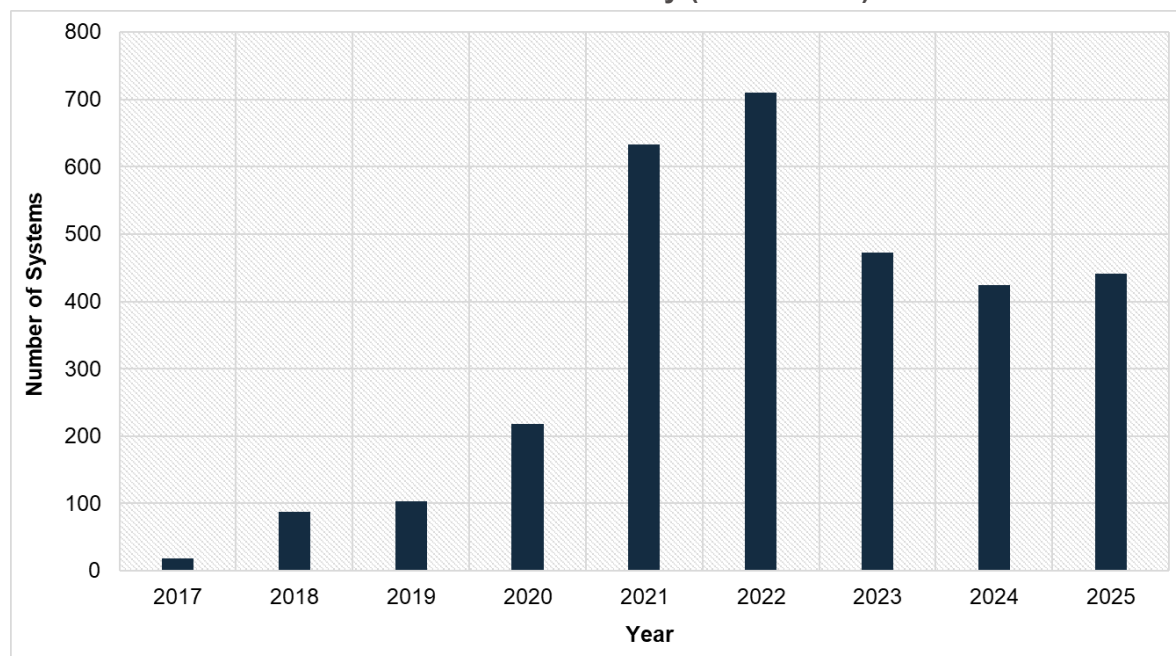
Between 2017 and 2020, there was steady growth in the number of residential ESS installed in PSEG Long Island's service territory. Following the launch of the Utility 2.0 Behind the Meter Storage Plus Solar Program in 2021, installations surged, peaking in 2022. However, from 2022 – 2023, the number of new residential ESS installations declined, primarily due to unforeseen market shifts and elevated supply chain costs associated with the COVID-19

⁷¹ Climate Justice Working Group criteria for disadvantaged communities (DACs). (See **Appendix E** for URL addresses).



pandemic. Since that period, installation rates have stabilized, maintaining a consistent pace (see **Figure 2-3**).⁷²

Figure 2-3. Number of New Residential ESS Systems Installed by Year in PSEG Long Island’s Service Territory (2017 – 2025)



To assess performance in relative terms, 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 energy storage adoption rates (%) for New York utilities.^{73,74} This analysis helped PSEG Long Island better understand and contextualize progress in 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 2-4**).⁷⁵ Additionally, the number of residential ESS within PSEG Long Island’s service territory greatly exceeds the number of residential ESS for other NYS Utilities (**Table 2-11**).

⁷² Analysis is based on publicly available information in the NYS Standardized Interconnection Requirements (SIR) Inventory (as of March 2026). (See **Appendix E** for URL addresses).

⁷³ 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.

⁷⁴ Analysis is based on publicly available information in the NYS Standardized Interconnection Requirements (SIR) Inventory (as of March 2026). (See **Appendix E** for URL addresses).

⁷⁵ 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.



Figure 2-4. Residential ESS Adoption Rate (%) by New York Utility (as of March 2026)

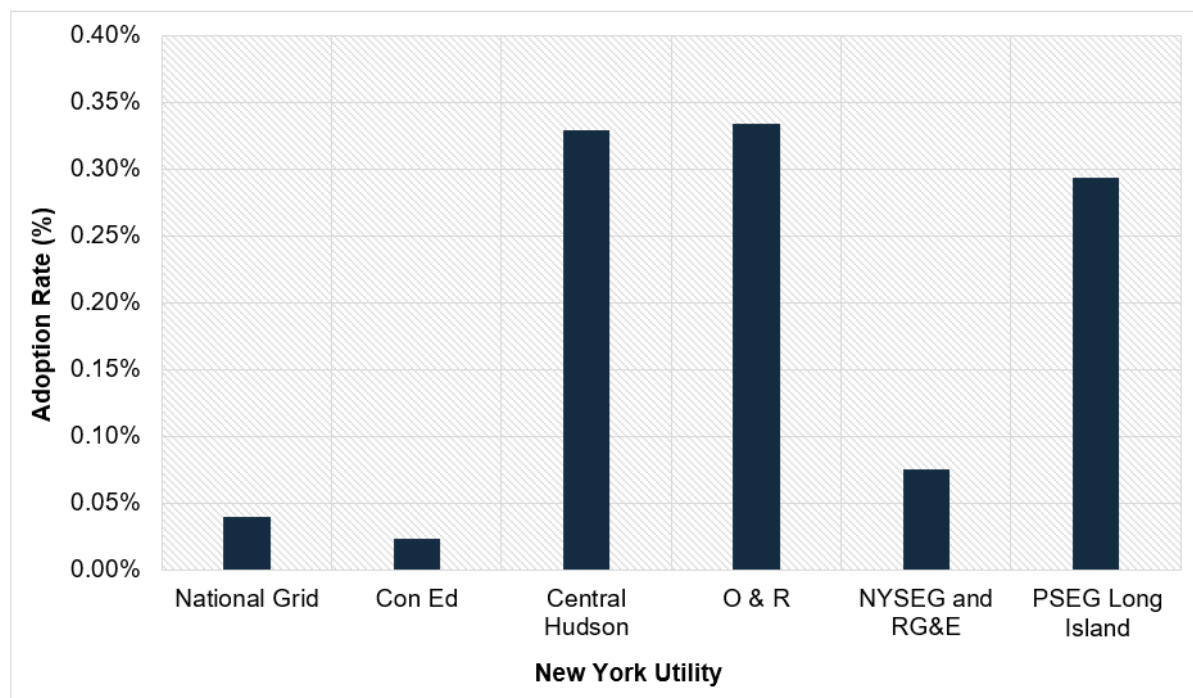


Table 2-11. Residential Energy Storage by New York Utility

Utility ⁷⁶	Residential Energy Storage		Electric Customers Served ⁷⁷
	Systems	kWAC	Customers
National Grid	681	7,550	1,700,000
Con Ed	830	7,826	3,600,000
Central Hudson	1038	10,072	315,000
Orange & Rockland (O&R)	1002	8,966	300,000
New York State Electric and Gas (NYSEG) and Rochester Gas and Electric (RG&E)	968	11,283	1,288,518
PSEG Long Island	3,230	28,926	1,100,000

⁷⁶ Note that Central Hudson and Orange & Rockland New York utilities serve far fewer electric customers than other New York State utilities.

⁷⁷ Approximation based on latest available data.



2.4. Solar PV

Key Accomplishments

Total Solar PV: 1,252 MW Direct Current (DC)⁷⁸
Commercial Solar PV: Average 11 MW DC/year⁷⁹
Residential Solar PV: Average 39 MW DC/year⁸⁰

PSEG Long Island has built a substantial solar PV portfolio with approximately 1,252 MW DC deployed through Q1 2026. The federal solar PV ITC supported residential homeowners and commercial business owners by offsetting 30% of solar PV installation costs, contributing a value of around \$9,000 to an average residential rooftop solar system on Long Island and the Rockaways. Market contraction, as federal tax incentives have expired and capital costs face upward pressure (including potential import tariffs), may limit new installations and incremental peak capacity contributions. This potential decline comes at a time when Long Island is expected to face substantial load growth and a persistent capacity gap that cannot be addressed solely through existing programs.

PSEG Long Island is working with LIPA and NYSERDA to explore funding opportunities to continue supporting the solar PV industry. This budget could help minimize market disruption following the expiration of federal tax credit opportunities for solar PV. Since budget discussions for solar PV are still ongoing, no budget is requested through the Utility 2.0 Portfolio at this time. As such, the information presented in this Plan on residential and commercial solar PV is for transparency and awareness purposes.

Residential Solar PV

After more than two decades of solar deployment on Long Island, residential solar PV has become a material component of PSEG Long Island’s energy portfolio. More than 10% of residential customers already participate and recent annual additions have averaged ~39 MW/year of nameplate capacity. Even with peak summer solar production only partially coinciding with PSEG Long Island’s 4 – 6 PM daily peak period, residential solar has delivered measurable system value. Over the last five years, residential solar installations have added an average of ~12 MW/year of incremental peak load relief, and account for approximately 133 MW of peak capacity relief since 2000. On June 24, 2025, Long Island reached its highest peak in over a decade during a heat dome with over 5,616 MW and distributed BTM solar PV reduced this peak by 283 MW (or 5%) and the total load by 6%.⁸¹ This track record demonstrates that residential solar PV is not only a clean energy resource,

⁷⁸ Value reflected as of Q1 2026, based on latest data availability (as of March 2026). (See **Appendix E** for URL addresses).

⁷⁹ Average of added commercial solar PV capacity installed for 2021 – 2025.

⁸⁰ Average of added residential solar PV rooftop solar capacity (name plate) installed for 2020 – 2025, largely driven by the federal ITC.

⁸¹ Source: Long Island Association Energy & Environmental Committee Presentation (November 2025).



but also a planning-relevant capacity contributor that can help moderate growth during system peak and reduce reliance on traditional supply-side solutions.

With the sunseting of the ITC, the market conditions which enabled recent residential solar PV installations have shifted. Absent intervention, installations are projected to slow, constraining residential solar PV’s role in peak capacity management. PSEG Long Island plans to collaborate with LIPA and NYSERDA to continue exploring opportunities to support the solar PV industry to preserve market momentum as federal support declines, advancing customer and grid benefits while also supporting compliance with New York’s clean energy and reliability objectives in a ratepayer-focused manner.

Commercial Solar PV

Commercial solar PV has also demonstrated sustained growth on Long Island, with ~148 MW installed from 2010–2025 and an installation pace averaging ~11 MW/year in recent years. This supports the notion that commercial solar PV is a dependable distributed resource for peak reduction, particularly valuable in constrained distribution areas and as part of a broader portfolio to manage peak-driven system costs.

2.4.1. Open Items

Relevant open items, such as risks, contingencies, and considerations, for residential and commercial solar PV can be found in **Table 2-12** below.

Table 2-12. Open Items – Solar PV Initiatives

Category	Description	Mitigation
New York State Credits	There is a possibility that New York State will expand current state tax credits from \$5,000 to \$10,000 for solar PV installations to supplement the federal ITC expiration.	Monitor state incentive options for solar. If the state does not offer expanded credits, PSEG Long Island will consider opportunities to further support the solar PV industry.
Peak Demand	Peak solar production does not exactly coincide with peak demand, limiting the peak demand reduction potential for solar PV systems.	PSEG Long Island currently incentivizes pairing solar PV with ESS for residential customers (see Section 2.3).

3. Transportation Electrification

*2026 Utility 2.0 Plan Annual Filing
and Building Efficiency &
Electrification Plan*



3. Transportation Electrification

The transportation sector is the second biggest contributor of GHG emissions in New York State.⁸² 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 2035⁸³
- Electrifying the state's light-duty fleet and 100% of school buses by 2040⁸⁴
- All new Medium and Heavy-Duty Vehicles (MHDV) sales to be zero-emissions by 2045⁸⁵

There are approximately 88,000 EVs on Long Island as of Q1 2026. Long Island is ahead of the rest of the state in terms of adoption with an EV penetration rate of 3.7% as compared to 2.9% statewide. The EV growth forecast indicates a deceleration in Long Island EV adoption, with monthly growth rates declining from approximately 2%–2.5% during 2025 to below 1% by year-end and remaining subdued in 2026. As EV charging infrastructure requirements are directly tied to growth in the EV population, a slower rate than previously anticipated is expected to reduce the need for incremental charger deployments. Accordingly, future charger installations are projected to grow at a slower rate than previously anticipated, reflecting decreased support from the PSEG Long Island Make Ready programs. The PSEG Long Island TE team remains flexible and well-positioned to adapt its program strategy. Should market conditions improve and EV adoption accelerate, the team can readily pivot to adjust program targets in future filings.

PSEG Long Island's TE team has been developing and managing programs since 2018 that support the growing EV adoption and benefit the broader electric grid (see **Table 3-1**). Key initiatives – including the Fleet Make Ready, EV Make Ready, and Fleet Advisory Services – have expanded charging infrastructure across Long Island and the Rockaways for both private and public use. This growth has helped accelerate EV adoption among commercial fleets and residential customers, contributing to statewide decarbonization goals. Programs such as the Direct Current Fast Charging (DCFC) Incentive Program and the newly implemented EV Phase-In Rate are designed to offset demand charge costs for commercial charging operators, while program data is continuously monitored to inform future grid planning and optimization.

⁸² New York State Department of Environmental Conservation. (See **Appendix E** for URL addresses).

⁸³ New York Advanced Clean Car Regulation. (See **Appendix E** for URL addresses).

⁸⁴ Senate Bill S9006C. (See **Appendix E** for URL addresses).

⁸⁵ New York Advanced Clean Trucks Regulation. (See **Appendix E** for URL addresses).



In the residential sector, PSEG Long Island administers the Residential Charger Rebate Program, which reduces the cost of smart chargers with an emphasis on increasing access in disadvantaged communities. In addition to upfront incentives for purchases of EV smart chargers, PSEG Long Island is implementing a Residential Active Managed Charging Pilot in 2027 that encourages customers to reduce charging during peak periods and optimize charging schedules. This approach can help to reduce peak demand while complementing PSEG Long Island’s broader efforts to advance demand flexibility.

Table 3-1. Transportation Electrification Program Schedule

Project	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030
Fleet Make Ready Program												
Fleet Advisory Service												
EV Make Ready Program												
Residential Charger Rebate												
DCFC Incentive Program												
EV Phase-in Rate												
Managed Charging Pilot												
Suffolk County Bus Pilot												

Contents

Project	2026 Status	2027 Status	Page #
Fleet Advisory Service	Active	Active	47
Fleet Make Ready Program	Active	Active	50
EV Make Ready Program	Active	Active	55
Residential Charger Rebate	Active	Active	61
DCFC Incentive Program	Active	Active	64
EV Phase-in Rate	Active	Active	67
Managed Charging Pilot Program	Proposed	TBD	70
Suffolk County Bus Pilot	Operational	Operational	158



Transportation Electrification Portfolio Budget Summary

The 2027 budget requests for the TE initiatives within the Utility 2.0 Portfolio are shown in **Table 3-2** below. Budget for these initiatives from sources outside of the Utility 2.0 Portfolio are not reflected in this table. The TE budget has been reduced for the current program year (2027) to reflect updated forecasts for electric vehicle adoption and charging infrastructure needs. The revised budget also aligns with evolving program priorities and resource allocations within the broader Utility 2.0 portfolio. Further details on justification and cost drivers for these programs can be found in the subsequent sections within this chapter.

Table 3-2. Transportation Electrification 2027 Budget Requests within the Utility 2.0 Portfolio⁸⁶

Project	Capital 2027 (\$M)	O&M 2027 (\$M)	Total 2027 (\$M)
Fleet Advisory Service	0.00	0.36	0.36
Fleet Make Ready Program	0.25	0.81	1.06
EV Make Ready Program	0.97	6.50	7.47
Marketing and Outreach	0.00	0.25	0.25
Residential Charger Rebate Program	0.00	0.60	0.60
DCFC Incentive Program	0.00	0.05	0.05
EV Phase-In Rate	0.27	0.00	0.27
Managed Charging Pilot Program	0.00	2.00	2.00
Transportation Electrification Total	1.49	10.56	12.05

⁸⁶ The budgetary values presented in this table are rounded to the hundredths decimal place.



3.1. Fleet Advisory Service

2026 Status	Active
2027 Status	Active
Start Year	2023
Anticipated End Year	N/A
Description and Justification	The Fleet Advisory Service (approved in 2022 and launched in Q3 2023) provides PSEG Long Island fleet customers with complimentary advisory support to help them evaluate electrification opportunities. The service helps fleet operators understand potential cost savings, available incentives, optimal charging strategies, and how to effectively coordinate with the Utility. Through this program, customers are also connected to applicable utility- and customer-side incentives, including those offered through the Fleet Make Ready Program.
Key Accomplishments	77 fleets engaged since 2023

3.1.1. Scope Description

To assist in educating commercial customers about the various programs and rates that are available to them, PSEG Long Island promotes its Fleet Advisory Service.⁸⁷ The Service is available for free to both public and private fleet customers operating within PSEG Long Island's service territory. Service offerings in this Program include:

- **Fleet Advisory Online Tool:** Provides 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.
- **Fleet Advisor:** Provides additional advisory services to fleet customers through their electrification journey, as well as support on customer outreach and engagement.

⁸⁷ Additional details on the Fleet Advisory Service can be found in the 2022 Utility 2.0 Long Range Plan & Energy Efficiency Plan and information on how to participate is available on the PSEG Long Island Website: (See **Appendix E** for URL addresses).



3.1.2. Notable Changes

2026

To increase engagement with fleet operators and owners in 2026, the TE team implemented a more targeted, data-driven outreach strategy supported by program and marketing enhancements. As discussed in **Section 3.1**, this effort included refreshing the Fleet Advisory Service with updated marketing materials and more streamlined processes, informed by insights from the LIPA Fleet Electrification Study. The new one-pager and brochure seen in **Figure 3-1** were distributed at local events such as Energize Long Island and fleet roundtables and provided clear information on how customers could access services and the types of technical and planning support available.

Figure 3-1. Fleet Electrification Brochure



The team supported fleet ride-and-drive events and EV outreach efforts, including hosting a fleet-focused symposium with industry partners. Marketing efforts expanded through Search Engine Optimization (SEO) and Search Engine Marketing (SEM) campaigns, and Fleet Make Ready materials and processes were updated to better support customers. The team also attended the ACT Expo to stay current on fleet technologies and industry trends. As of May 2026, the TE team has three preapproved projects, compared to two preapproved projects in 2025. This increase in project activity indicates market interest, albeit at a slower pace than anticipated, despite the extension of bus electrification mandates to 2040.

2027

In 2027, the TE team will introduce updated program summary handouts to provide customers with clearer, more actionable takeaways following advisory calls. The team will also expand engagement opportunities by incorporating more flexible event formats, including hybrid options, and adding new guest speakers to share firsthand program experiences. These updates were based on TE team observations that customers interacting with the team may not be the decision-makers, and summary handouts could help those individuals communicate next steps to their decision-makers. In addition, while customers would utilize the complimentary Fleet Advisory Service, the TE team did not observe many applications to the Fleet Make Ready Program. This summary handout will



help lead the Fleet Make Ready process for customers. Additionally, based on previous roundtable events the TE team has observed that attendees prefer to have both in-person and virtual options, allowing for more attendees to participate. In addition, the Fleet Advisory Service pipeline and fleet database will be used more strategically to identify and prioritize high-potential customers for fleet electrification projects. Just as the program design is being modified in 2027 to meet market demands, the PSEG Long Island Transportation Electrification team remains flexible and well-positioned to adapt its program strategy.

3.1.3. Open Items

The TE team is focused on improving customer experience and conversion from Fleet Advisory Services to participation in the Fleet Make Ready Program, while recognizing risks that may limit uptake, as explained in **Table 3-3**.

Table 3-3. Open Items – Fleet Advisory Service

Category	Description	Mitigation
Scope	The Fleet Advisory Service is experiencing strong engagement, but conversion to participation in the Fleet Make Ready Program is lower than anticipated.	Update Fleet Advisory guidance materials to include post-engagement resources that reinforce key benefits and re-engage customers.

3.1.4. Performance Reporting

In 2025, a total of 69 fleets and 10 developers engaged through the Fleet Advisory Service, with the majority of fleets being public transportation.

3.1.5. Budget Reconciliation and Request

The 2027 budget request and 2028 budget projection for the Fleet Advisory Service are shown in **Table 3-4**.

Table 3-4. Capital and Operating Expense Budget, Actual and Forecast (\$M)⁸⁸

Category	Actual (\$M)	Updated Forecast (\$M)	Request (\$M)	Projected (Not Requested) (\$M)	Total (\$M)
	2025	2026	2027	2028	
Capital	-	-	-	-	-
O&M	0.30	0.32	0.36	0.37	1.35
Total	0.30	0.32	0.36	0.37	1.35

⁸⁸ The budgetary values presented in this table are rounded to the hundredths decimal place.



Justification and Cost Drivers

In 2025, the Fleet Advisory Service incurred approximately \$0.30 million in costs. The forecasted budget for 2026 is \$0.32 million, consisting primarily of administrative labor expenses and annual maintenance costs for the Fleet Advisory Service calculator, which is maintained by a third-party vendor.

The requested budget for 2027 is approximately \$0.36 million, with a forecasted budget of \$0.37 million for 2028, to support the continued delivery of Fleet Advisory Service offerings. The increase in projected costs reflects the expanded scope of the Fleet Advisory Service calculator, including the addition of functionality to estimate the operating costs associated with charging infrastructure deployments at multifamily residential, workplace, and public charging locations.

3.2. Fleet Make Ready Program

2026 Status	Active
2027 Status	Active
Start Year	2024
Anticipated End Year	N/A
Description and Justification	The Fleet Make Ready Program offers fleet operators utility- and customer-side incentives for eligible LDV and MHDV fleets. In this filing, PSEG Long Island re-evaluates program scope and budget to support additional projects and enable fleet electrification.
Key Accomplishments	2 projects preapproved through 2025; Expanded customer eligibility

3.2.1. Scope Description

The Fleet Make Ready Program serves:⁸⁹

1. Public fleets which cover local government, public serving, schools & universities (admin & security), and not-for-profit organizations;
2. Public transportation (e.g., school buses and transit buses); and, as of 2025,
3. Private fleets, such as businesses and other commercial organizations.

⁸⁹ The Fleet Make Ready Program defines a fleet 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. This program is also designed to be technology-agnostic, and supports L2, DCFC, and other electric vehicle infrastructure.



Eligible fleets may operate both Light Duty Vehicles (LDVs) or MHDVs, and 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.⁹⁰ For 2027, incentives will not be tied to customer segment as PSEG Long Island aligns the program similarly to the EV Make Ready structure. Any commercial customer is eligible to participate in this program, as long as their use-case is for electrifying their vehicle fleet.

3.2.2. Notable Changes

2026

PSEG Long Island identified opportunities to increase engagement in the Fleet Make Ready Program by expanding marketing and outreach. In 2026, the TE team enhanced roundtable events by offering a hybrid format and inviting guest speakers to share firsthand program experiences. In PSEG Long Island's November 2025 conference, 41 attendees joined the Fleet roundtable, and 47 attendees for the EV Make Ready roundtable compared to 39 attendees at the June 2025 roundtable (joint session). This was due to adding the hybrid format for attendees to participate in. In addition, PSEG Long Island received positive feedback regarding a guest speaker presenting their firsthand experience implementing these technologies and sharing their challenges and successes. PSEG Long Island also observed that more questions were asked from the audience when they were presented with a real-world example. The team also introduced an updated program one-pager, as seen in **Figure 3-2**, and brochure, incorporating insights from the LIPA Fleet Electrification Study, to provide clearer, more targeted messaging to fleet customers.

⁹⁰ More details on Make Ready Program application and eligibility are available on the PSEG Long Island Website: (See **Appendix E** for URL addresses).



To further strengthen outreach, the TE team refined its 2026 marketing strategy by launching an integrated campaign aimed at increasing both awareness and application volume. This included expanded paid search efforts and a shift beyond a primary focus on schools to target a broader range of customer segments based on observed participation trends. These initiatives are continuously informed by direct customer feedback gathered in collaboration with PSEG Long Island’s customer-facing teams, enabling ongoing improvements in outreach effectiveness.

2027

PSEG Long Island also identified the need to simplify customer experience to increase participation in the Fleet Make Ready Program while also maximizing the number of ports energized. In 2027, the TE team plans to transition the incentive cap structure based on customer segment to a dollar-per-port model, with program targets established on a per-port basis with defined goals for both DCFC and Level 2 (L2) ports. This builds on the successful adoption of the dollar-per-port model by the EV Make Ready Program through the 2025 Utility 2.0 Filing.

3.2.3. Open Items

The Fleet Make Ready Program aims to expand fleet electrification through targeted outreach, while recognizing and addressing risks associated with engaging specific customer segments, as noted in **Table 3-5**.

Table 3-5. Open Items – Fleet Make Ready

Category	Description	Mitigation
Scope	Initial program engagement plan focused on school districts is yielding lower interest than expected.	Expand outreach focus beyond schools and continue to offer eligibility to private fleets.

3.2.4. Performance Reporting

In 2025, two projects were preapproved through the Fleet Make Ready Program. For 2026, the TE team targets 20 approved projects. Beginning in 2027, the program will shift to targets for energized L2 and DCFC ports.

Figure 3-2. Fleet Electrification One-Pager





3.2.5. Budget Reconciliation and Request

The 2027 budget request and 2028 budget projection for the Fleet Make Ready Program are shown in **Table 3-6**.

Table 3-6. Capital and Operating Expense Budget, Actual and Forecast (\$M)^{91,92}

Category	Actual (\$M)	Updated Forecast (\$M)	Request (\$M)	Projected (Not Requested) (\$M)	Total (\$M)
	2025	2026	2027	2028	
Capital	0.08	0.36	0.25	0.25	0.93
O&M	0.22	0.14	0.81	0.82	1.98
Total	0.30	0.49	1.06	1.06	2.91

Justification and Cost Drivers

Since overall program participation has been lower than expected, in many cases due to long project timelines and high complexity, early focus on schools with lower-than-expected participation, and low conversion from the Fleet Advisory Program, PSEG Long Island has adjusted its 2027 forecast to 50 L2 ports and 15 DCFC ports. This change sets realistic targets and the budget associated with current expectations while accounting for ongoing and planned marketing efforts to improve uptake.

In 2025, the Fleet Make Ready Program spent approximately \$0.30 million. The spending was less than originally budgeted, largely due to lower enrollment than originally forecasted. The forecasted budget for 2026 is approximately \$0.495 million. The budget mainly consists of the costs associated with the deployment of infrastructure and incentives as well as administrative costs. The forecasted budget for 2027 is approximately \$1.06 million, which is lower than the previous filing's forecast for 2027. This is supported by the 2026 refresh of the Fleet Make Ready BCA which considers refreshed market data, program budget and historical participation, and updated forecasts. Under the updated assumptions, the FMR BCA yields a Societal Cost Test (SCT) benefit-cost ratio of 3.67 forecasted for 2026 – 2045. See **Appendix A.4** for additional details on the Fleet Make Ready BCA.

Table 3-7 shows the total number of ports estimated to be enrolled, respectively, by year and port type. These estimates were developed by a third-party consultant based on budget availability.

⁹¹ A nominal portion of the Capital Forecasts for 2026-2028 are attributed to Capital Expenditure for external (Engineering Consultant) Utility 2.0 PMO support for the Make Ready Programs.

⁹² The budgetary values presented in this table are rounded to the hundredths decimal place.



Table 3-7. Fleet Make Ready Program Estimated Energized Ports

Port Type	2024	2025	2026	2027	2028	Total
	<i>Actual</i>	<i>Actual</i>	<i>Forecast</i>	<i>Forecast</i>	<i>Forecast</i>	
L2	0	2	N/A	50	50	102
DCFC	0	0	N/A	15	15	30
Total	0	2	N/A⁹³	65	65	132

The updated forecast and program budget request for 2027 is based on the new dollar-per-port incentive structure outlined in **Table 3-8** and **Table 3-9**.

Table 3-8. Fleet Make Ready Program Incentive Caps Per Port

Port Type	Tier	Proposed (2027)
Level 2	Tier 1	\$4,500
	Tier 2	\$4,000
DCFC	Tier 1	\$35,000
	Tier 2	\$30,000

Like EV Make Ready, tiers represent what incentives customers are eligible for based on program requirements. Specifically for Fleet Make Ready, Tier 1 will be available to customers who install ports for fleets in a DAC, while Tier 2 will be available for all other customers not located in a DAC.

Table 3-9. Fleet Make Ready Program Incentive Caps, Utility-Side Make Ready (USMR)

Port Type	Incentive Cap
Level 2	\$20,000
DCFC	\$100,000

For customers that require utility-side upgrades, incentive caps are put in place to cover a portion (if not all) of the upgrade cost on a per-project basis.

⁹³ In transitioning to a dollar-per-port model in 2026, the Fleet Make Ready Program has established port forecasts beginning for the year 2027, while the 2026 forecast remains in terms of projects with a target of 20 total.



3.3. Electric Vehicle (EV) Make Ready Program

2026 Status	Active
2027 Status	Active
Start Year	2021
Anticipated End Year	N/A
Description and Justification	The EV Make Ready Program, originally proposed in 2020, was designed to accelerate electric vehicle adoption on Long Island by addressing infrastructure-related barriers to charging deployment. Through this filing, PSEG Long Island reassesses the program's scope, budget, and DCFC and L2 targets to better align with observed utilization and ensure continued, cost-effective program support.
Key Accomplishments	1,390 L2 ports and 394 DCFC energized since 2021

3.3.1. Scope Description

PSEG Long Island's EV Make Ready Program provides incentive-based support for the deployment of make ready infrastructure for new DCFC and L2 charging stations by providing cash rebates to eligible customers within the service territory.⁹⁴ 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 a regulatory asset like the investor-owned utilities in New York State. The Fleet Advisory Online Tool described in **Section 3.1.1** is also usable in many cases for interested or customers participating in EV Make Ready, providing personalized, self-service information on available EV options, the best time to charge, rate and eligible program recommendations, potential bill impact, cost savings, and GHG reductions.

3.3.2. Notable Changes

2026

To support effective budget and incentive allocation following the 2025 shift to a dollar-per-port structure, PSEG Long Island evaluated the EV Make Ready program in 2026 alongside key market trends. This included analyzing charger utilization, reassessing EV adoption forecasts and updating forecasts across L2 and DCFC ports.

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 addresses).



In March 2026, the PSC denied the JU's request to modify and extend the EV Make-Ready Program and directed data collection and reporting requirements necessary to continue accepting program applications.⁹⁵ With the current data aggregation service contract expired as of April 2026, PSEG Long Island is actively seeking a replacement data aggregation service, while also exploring in-house options such as working directly with Network Service Providers and using AMI data to restore reporting capability in the interim. In Q2 2026, PSEG Long Island evaluated the current data that it received thus far, the Network Service Provider's (NSP's) ability to directly provide PSEG Long Island data, key data points and how this data will be transferred. Currently, PSEG Long Island is determining how to validate the data that the NSPs will provide. These efforts are intended to gain insight into EV charger utilization and load impacts to inform future investments in both the program and grid infrastructure. PSEG Long Island is evaluating the resources required to successfully implement this type of solution.

2027

For 2027, PSEG Long Island is exploring updating eligibility to remove the connector standards requirement which would provide station operators with increased flexibility. This means that customers could install EV chargers with connector types including Type 1 (J1772), Combined Charging System (CCS), and the North American Charging Standard (NACS). Based on the 2026 assessment of the EV Make Ready Program and the resulting refinements to program forecasts and incentive structures, PSEG Long Island intends to reduce incentive levels for both L2 and DCFC projects beginning in 2027. Additionally, Tier 3 incentives for DCFC projects will be discontinued, as incentives will be targeted exclusively toward public DCFC installations and proprietary connector types are no longer anticipated to be a factor in determining Tier level.

To improve customer experience and participation pathways, PSEG Long Island also plans to update the EV Make Ready website to streamline information and improve the clarity of customer resources.

3.3.3. Open Items

While the EV Make Ready Program is designed to facilitate the deployment of public charging infrastructure, it acknowledges the PSC Order's concerns regarding the limited and inconsistent availability of charging utilization data. These data limitations may present challenges in assessing program outcomes and supporting future programmatic decisions. The corresponding risks and mitigation strategies are outlined in **Table 3-10**.

⁹⁵ Case 18-E-0138 Proceeding on Motion of the Commission Regarding Electric Vehicle Supply Equipment and Infrastructure, Order Denying Petition and Making Other Findings (issued 3/23/2026). (See **Appendix E** for URL addresses).



Table 3-10. Open Items – EV Make Ready

Category	Description	Mitigation
Data Collection	Impacts resulting from the PSC Order Denying JU Petition to Extend the EV Make Ready Program including lack of collecting data. ⁹⁶	Proactively engage with the DPS and LIPA to ensure exploration of feasible solutions related to data collection and reporting.
EV Adoption and EVSE Alignment	Impacts resulting from the PSC Order Denying JU Petition to Extend the EV Make Ready Program including putting an end on all L2 applications and a pause on DCFC applications due to EV adoption being below anticipated figures compared to deployed chargers.	Each year, PSEG Long Island forecasts the anticipated EVs and required EVSE by year.

3.3.4. Performance Reporting

Through Q4 2025, 1,390 L2 and 394 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 3-11** and **Figure 3-3**.

Table 3-11. EV Make Ready Program KPIs

Benefit	Ports 2025 Program Year	Port Target Program Life	Ports Program Life ⁹⁷	Realized, Program Life ⁹⁸
# of DCFC Ports Energized	166	317	402	124%
# of L2 Ports Energized	669	1,506	1,392	92%

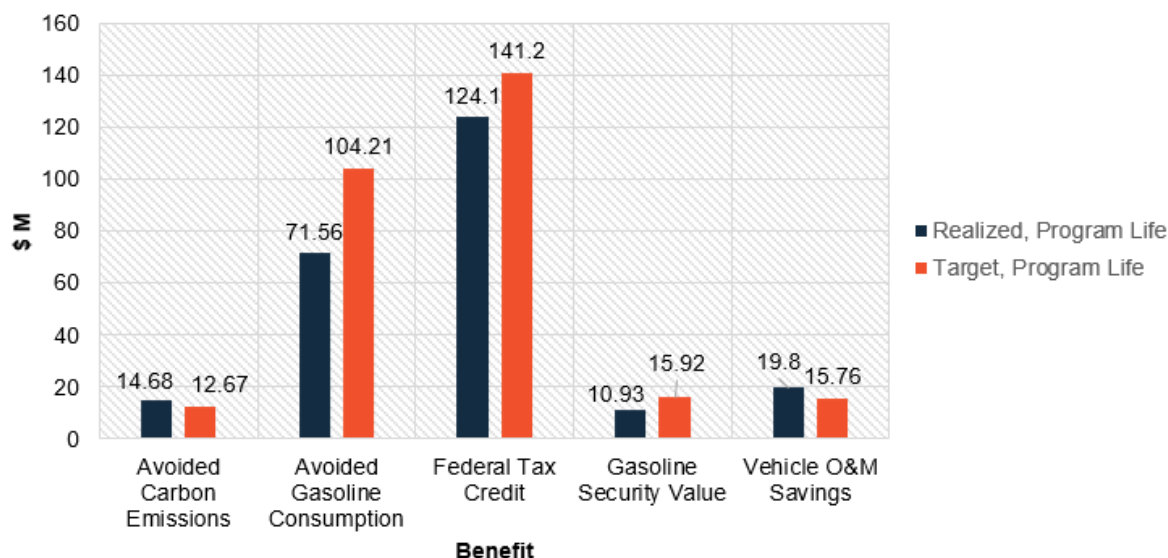
⁹⁶ Case 18-E-0138 Proceeding on Motion of the Commission Regarding Electric Vehicle Supply Equipment and Infrastructure, Order Denying Petition and Making Other Findings (issued 3/23/2026). (See **Appendix E** for URL addresses).

⁹⁷ The KPIs and Program Benefits shown in **Table 3-11** and **Figure 3-3**, respectively, for the EV Make Ready Program were corrected to reflect the corrected Pre-Approved and Energized L2 Port Count in 2022.

⁹⁸ Percentage Realized is based on BCA Target.



Figure 3-3. EV Make Ready Program Benefits



3.3.5. Budget Reconciliation and Request

The 2027 budget request and 2028 budget projection for the EV Make Ready Program are shown in **Table 3-12**.

Table 3-12. Capital and Operating Expense Actual, Forecast, and Projected^{99,100}

Category	Actual (\$M)	Updated Forecast (\$M)	Request (\$M)	Projected (Not Requested) (\$M)	Total (\$M)
	2025	2026	2027	2028	
Capital	4.73	1.08	0.97	0.97	7.76
O&M	9.07	10.28	6.50	6.51	32.37
Total	13.80	11.36	7.47	7.49	40.12

Justification and Cost Drivers

The EV Make Ready Program spent approximately \$13.804 million in 2025. This was slightly greater than originally budgeted. Program incentives for the year were closed early due to significant interest and enrollment. The forecasted budget for 2026 is approximately \$11.364 million. The requested budget for 2027 is approximately \$7.47 million and projected to be \$7.49 million in 2028 due to the L2 and DCFC right-sizing effort and charger utilization analysis. As mentioned in a previous section, the EV forecast is a key component of the overall number of charging stations supported as part of the program. Further, the

⁹⁹ A nominal portion of the Capital Forecasts for 2026-2028 are attributed to Capital Expenditure for external (Engineering Consultant) Utility 2.0 PMO support for the Make Ready Programs.

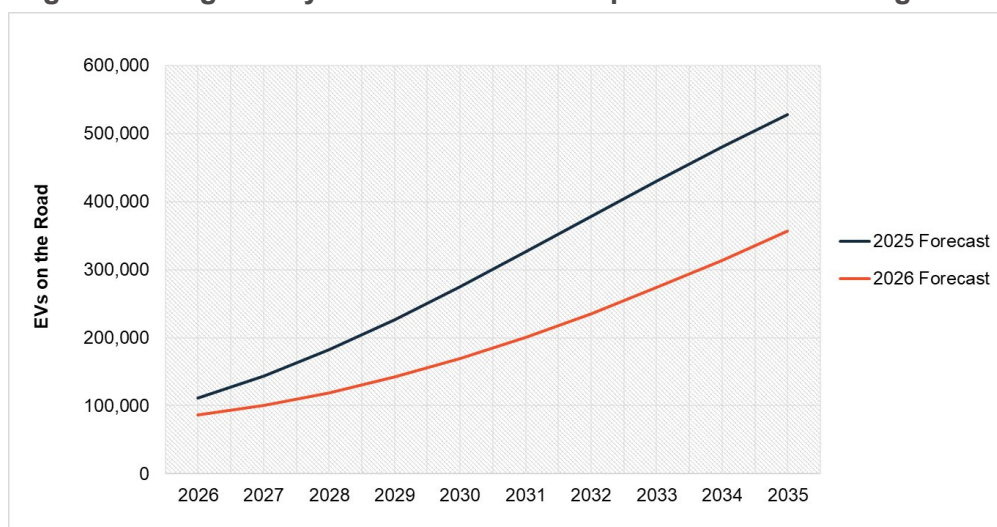
¹⁰⁰ The budgetary values presented in this table are rounded to the hundredths decimal place.



elimination of the EV federal tax credit eliminated for EVs has slowed down the adoption rate slightly. Should the EV forecast change in the future, PSEG Long Island is prepared to adjust its program targets. The request was also driven by a 2026 refresh of the EV Make Ready BCA which included updates to cost assumptions such as federal incentive changes as well as the incorporation of a dollar-per-port incentive structure. Based on the updated assumptions, the updated EV Make Ready BCA results in a SCT benefit-cost ratio of 3.10 forecasted for 2026 – 2045. See **Appendix A.4** for additional details on the EV Make Ready BCA.

PSEG Long Island developed an annual LDV Forecast based on market trends (see graph below). In the most recent forecast for 2026, PSEG Long Island identified that EV adoption will continue based off of historical trends, though at a slower rate than originally anticipated.¹⁰¹ As shown in **Figure 3-4**, PSEG Long Island expects that by 2035, there will be approximately 356,000 electric LDVs on the road on Long Island.

Figure 3-4. Light-Duty Electric Vehicle Adoption Trends on Long Island



Ports

As shown in **Figure 3-4**, PSEG Long Island expects that EVs on the road on Long Island will gradually increase, though at a slower pace than originally forecasted. Based on the DPS's Recommendation Letter and the LDV Forecast, PSEG Long Island plans to lower L2 and DCFC port targets to avoid overbuilding infrastructure and effectively meet demand in line with the EV adoption rate.¹⁰² PSEG Long Island used the results of its 2026 LDV EV

¹⁰¹ Gabel Forecast estimated EV adoption based on market conditions and historical trends to develop more accurate port targets.

¹⁰² The 2026 EVs on the road forecast by DSA estimated EV adoption based on market conditions and historical trends to develop more accurate port targets.



Forecast to model the number of L2 and DCFC ports needed by 2030, utilizing the EV-Pro Lite tool.¹⁰³

The expected number of energized ports as shown in **Table 3-13** 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.

PSEG Long Island monitors EV registrations monthly and annually so that any deviations from forecasts can quickly be acknowledged and addressed. Depending on the types of deviation experienced (if any), PSEG Long Island would expect to identify the deviations and any resultant programmatic changes to address as part of the annual Utility 2.0 reconciliation process in future years. This could result in the forecast figures changing.

Table 3-13. EV Make Ready Program Actual and Forecasted Energized Ports by Type (2026 Update)^{104, 105}

Port Type	2021	2022	2023	2024	2025	2026	2027	2028	Total ¹⁰⁶
	<i>Actual</i>	<i>Actual</i>	<i>Actual</i>	<i>Actual</i>	<i>Actual</i>	<i>Forecast</i>	<i>Forecast</i>	<i>Forecast</i>	
L2	0	81	231	405	669	720	100	100	2,306
DCFC	48	100	10	70	166	115	125	125	759
Total	48	181	241	475	835	835	225	225	3,065

Incentive caps for Level 2 chargers and DCFCs for the EV Make Ready Program are outlined in **Table 3-14** and **Table 3-15**.

¹⁰³ EVI-Pro Lite projects consumer demand for EV charging infrastructure. Some assumptions PSEG Long Island utilized include 77% at-home charging, default values from tool to estimate share of vehicle type (ex. Sedans versus SUVs) and engine type (PHEVs versus EVs), and third-party consultant industry insights. (See **Appendix E** for URL addresses).

¹⁰⁴ Even though the program is intended to end in 2030, some projects may spillover into 2031.

¹⁰⁵ The 2022 L2 port count was updated from 87 to 81 based on the most up-to-date information in the PSEG Long Island Internal EV Make Ready Program Database as of August 15, 2024, which is reflected in this table. The 2031 L2 port count was also updated due to a previous addition error in the original table and was reduced to 2,311 so that the total number of L2 ports would still be 13,652 (consistent with the pre-approved total port count). Supporting documentation provided on July 1, 2024, will differ slightly from the updated forecast presented here.

¹⁰⁶ Table values may not add to total value due to rounding.

Table 3-14. EV Make Ready Program Incentive Caps, \$/Port (2026 Update)¹⁰⁷

Port Type	Tier	Current (2026)	Proposed (2027)
Level 2	Tier 1	\$6,500	\$5,500
	Tier 2	\$5,000	\$5,000
	Tier 3	\$3,000	\$3,000
DCFC	Tier 1	\$45,000	\$42,500
	Tier 2	\$40,000	\$40,000
	Tier 3	\$20,000	N/A

Table 3-15. EV Make Ready Program Incentive Caps, USMR (2026 Update)

Port Type	Incentive Cap
Level 2	\$20,000
DCFC	\$100,000

3.4. Residential Charger Rebate Program

2026 Status	Active
2027 Status	Active
Start Year	2024
Anticipated End Year	N/A
Description and Justification	The Residential Charger Rebate Program, launched in February 2024, provides incentives for the installation of smart residential EV charging equipment. The program is designed to reduce upfront costs while promoting the adoption of networked, smart chargers that enable managed charging, improved grid integration, and enhanced customer visibility into charging behavior. By supporting the deployment of these advanced chargers, the program aims to accelerate electric vehicle adoption on Long Island while delivering system-wide benefits.
Key Accomplishments	3,904 charger rebates distributed \$799,244 in rebates distributed

3.4.1. Scope Description

The Residential Charger Rebate Program currently offers participants a cash rebate (or bill credit) with the purchase of a smart L2 charger to help lower the upfront cost of purchasing

¹⁰⁷ See additional detail on PSEG Long Island's website: (See **Appendix E** for URL addresses).



EV-associated charging equipment.¹⁰⁸ PSEG Long Island updated the program design in 2026 to only allow eligible smart chargers listed on the Electric Power Research Institute (EPRI) Vetted Product List to participate to ensure near-term investments in infrastructure are compatible with anticipated EV load management programs, such as managed charging.¹⁰⁹

To help promote more equitable access to EVs, the program provides higher incentives for residential customers located within DACs, as well as LMI customers.¹¹⁰ PSEG Long Island continues to monitor program participation particularly with a focus on DAC / LMI customers.

3.4.2. Notable Changes

There are no notable changes to report for the program in 2026 and 2027.

3.4.3. Open Items

The TE team is focused on improving customer participation and notes the risk and mitigation in **Table 3-16**.

Table 3-16. Open Items – Residential Charger Rebate Program

Category	Description	Mitigation
Scope	Low program participation by DAC / LMI customers.	Continue to raise awareness of the incentive levels (updated in 2026 which increased the incentive amount available to DAC / LMI customers) through marketing.

3.4.4. Performance Reporting

Rebate metrics associated with the Residential Charger Rebate Program are outlined in **Table 3-17** below.

Table 3-17. KPIs – Residential Charger Rebate Program

Metric	Realized, 2025 Program Year	Realized, Program Life
Number of Rebates – Non-DAC / LMI	1,913	3,620
Number of Rebates – DAC / LMI	157	284
Rebated Amount – Non-DAC / LMI	\$383,100	\$719,400
Rebated Amount – DAC / LMI	\$44,300	\$79,844

¹⁰⁸ Examples of Energy-Star Rated L2 chargers can be found here: (See **Appendix E** for URL addresses).

¹⁰⁹ The EPRI Vetted Product List can be found here: (See **Appendix E** for URL addresses).

¹¹⁰ See the Residential Charger Rebate webpage on the PSEG Long Island website for more information regarding program eligibility and incentive levels: (See **Appendix E** for URL addresses).



3.4.5. Budget Reconciliation and Request

The 2027 budget request and 2028 budget projection for the Residential Charger Rebate Program are shown in **Table 3-18**.

Table 3-18. Capital and Operating Expense Budget, Actual and Forecast (\$M)¹¹¹

Category	Actual (\$M)	Updated Forecast (\$M)	Request (\$M)	Projected (Not Requested) (\$M)	Total (\$M)
	2025	2026	2027	2028	
Capital	-	-	-	-	-
O&M	0.50	0.59	0.60	0.60	2.29
Total	0.50	0.59	0.60	0.60	2.29

Justification and Cost Drivers

The Residential Charger Rebate Program spent approximately \$0.50 million in O&M in 2025. The spending was less than what was budgeted mainly due to less enrollment in the program than forecasted.

The forecasted budget for 2026 is \$0.59 million. PSEG Long Island requests a budget of \$0.60 million in 2027 and projects a budget of \$0.60 million in 2028. This budget reflects the program targets for 2027 and 2028 seen in **Table 3-19**.

The Residential Charger Rebate Program requests \$0.60 million in O&M each year for 2026 and 2027 to offer participants cash rebates with the purchase of an approved L2 smart charger.

Table 3-19. Forecasted Residential Charger Rebate Program Targets

Rebate	2024	2025	2026	2027	2028	Total
	<i>Actual</i>	<i>Actual</i>	<i>Forecast</i>	<i>Forecast</i>	<i>Forecast</i>	
DAC	125	157	700	700	700	2,382
Non-DAC	1,692	1,913	1,300	1,300	1,300	7,505
Total	1,817	2,070	2,000	2,000	2,000	9,887

¹¹¹ The budgetary values presented in this table are rounded to the hundredths decimal place.



3.5. DCFC Incentive Program

2026 Status	Active
2027 Status	Active
Start Year	2019
Anticipated Year End	2027
Description and Justification	The DCFC Incentive Program currently provides commercial customers with a 50% Demand Charge Rebate (DCR), which refunds 50% of the total demand charges incurred on their electric bills during the prior calendar year in which they were enrolled in the program. The program is scheduled to be discontinued upon implementation of the new EV Phase-In Rate, expected in Q1 2027. The DCR for Rate 285 customers concluded in Q4 2025 following the implementation of the EV Phase-In Rate.
Key Accomplishments	158 DCFC ports supported; \$3,399,983 in Demand Charge Coverage supported through the life of the program.

3.5.1. Scope Description

The DCFC Incentive Program supports the deployment and early utilization of only public DCFC sites by reducing the bill impacts associated with traditional demand-based rates. By providing targeted bill relief during periods of low utilization, the program helps mitigate financial risk for site hosts, improve economic viability in the early years of operation, and encourage the buildout of publicly accessible fast charging infrastructure across the service territory.¹¹²

3.5.2. Notable Changes

2026

Customers that are on Rate 281 are still enrolled in the program and will receive their DCR for the calendar year of 2026 in Q1 2027 if they meet all program requirements, including providing charging session data.

2027

The DCFC Incentive Program will be sunset in 2027 upon the completion of the rollout of the EV Phase-In Rate in Q1 2027.

¹¹² CASE 22-E-0236 – Proceeding to Establish Alternatives to Traditional Demand-Based Rate Structures for Commercial Electric Vehicle Charging. January 19, 2023.



3.5.3. Open Items

The DCFC Incentive Program aims to increase EV Phase-In Rate program enrollment but understands the risks of low intake and notes the associated mitigations in **Table 3-20**.

Table 3-20. Open Items– DCFC Incentive Program

Category	Description	Mitigation
Customer Enrollment	Potential for low uptake of the EV Phase-In Rate by customers currently enrolled in the DCFC Incentive Program.	Outreach for current Rate 281 customers enrolled in DCFC regarding the opportunity to transition to the EV Phase-In Rate. Targeted and personalized education and awareness campaigns with clear benefit statements can increase the likelihood of customer conversion and for those customers that were not previously on the DCFC incentive program but do qualify for the EV Phase-In Rate.

3.5.4. Performance Reporting

Port and demand charge coverage metrics associated with the DCFC Incentive Program are outlined in **Table 3-21** below.

Table 3-21. Metrics and KPIs – DCFC Incentive Program

Metric	Realized, 2025 Program Year	Realized, Full Program Life
# of DCFC Ports Supported	28	158
Demand Charge Coverage	\$1,019,433	\$4,419,416

3.5.5. Schedule Implementation

The DCFC Program timeline is outlined in **Table 3-22** below.

Table 3-22. Implementation Schedule – DCFC Incentive Program

Workstream	2026				2027			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Rate 281 Customer Support								
Program Discontinuation Communications								
Program payout								



3.5.6. Budget Reconciliation and Request

The 2027 budget request, 2028 budget projection, and variance for the DCFC Incentive Program are shown in **Table 3-23**.

Table 3-23. Capital and Operating Expense Budget, Actual and Forecast (\$M)¹¹³

Category	Actual (\$M)	Updated Forecast (\$M)	Request (\$M)	Projected (Not Requested) (\$M)	Total (\$M)
	2025	2026	2027	2028	
Capital	-	-	-	-	-
O&M	0.74	0.15	0.05	-	0.94
Total	0.74	0.15	0.05	-	0.94

Justification and Cost Drivers

The DCFC Incentive Program supports a budget of \$0.15 million approved for 2026 and \$0.05 million requested in 2027 to serve as a bridge offering (via the DCR structure) until customers transition to the EV Phase-In Rate, which launched for Rate 285 customers in October 2025 and will launch for Rate 281 customers in January 2027.

Accordingly, forecasted costs in 2026–2027 reflect the known current enrolled customers and their estimated demand, as well as program administration to avoid a gap in commercial offerings and to ensure an orderly transition to the EV Phase-In Rate when this program concludes in 2027.

¹¹³ The budgetary values presented in this table are rounded to the hundredths decimal place.



3.6. EV Phase-In Rate

2026 Status	Active
2027 Status	Active
Implementation Start Year	2025
Anticipated End Year	2027
Description and Justification	The EV Phase-In Rate was launched in 2025 and will complete its phased implementation in Q1 2027, at which point it will fully replace the DCFC Incentive Program. This commercial tariff is designed for public and fleet EV charging operators and gradually introduces demand charges as a customer’s annual load factor increases. The program also incorporates time-of-use pricing to better align charging behavior with grid conditions.
Key Accomplishments	As of Q1 2026, There are 47 accounts served across the 4 tiers. Tier 1 (25 accounts), Tier 2 (10 accounts), Tier 3 (7 accounts), Tier 4 (5 accounts). 4 accounts are located within a DAC.

3.6.1. Scope Description

The EV Phase-In Rate is a commercial tariff designed for public and fleet EV charging customers, intended to replace the DCFC Incentive Program. The EV Phase-In Rate introduces a graduated pricing model based on annual load factor, starting as a Time-Of-Use (TOU) energy rate with no demand charges and gradually incorporating higher demand charges as charger utilization grows. The goal is to provide near-term cost relief when charging stations are underutilized while transitioning customers to a more sustainable rate design over time. This structure supports EV adoption and infrastructure development by offering a dynamic rate structure that evolves as usage increases.

Eligibility and pricing are determined by factors such as charging ratio and load factor, with four tiers corresponding to increasing utilization levels. Customers must maintain a minimum 50% charging ratio and are evaluated biannually to determine their rate tier. As customers’ load factors increase, a greater portion of costs is recovered through demand charges, and those exceeding a 25% load factor for two consecutive periods transition to standard commercial rates. The rate includes time-based periods that vary by season, encouraging off-peak charging. Customers who are removed from the rate or decide to leave the rate cannot rejoin unless they add additional charging infrastructure to their site and bring their load factor to an acceptable level.



3.6.2. Notable Changes

2026

The EV Phase-In Rate serves only eligible Rate 285 customers as of 2026. PSEG Long Island will calculate customer Load Factors which may cause customers to transition to different tiers. A report showing insight into customers enrolled onto the rate will be submitted to the DPS mid-2026, with reporting provided every 6 months. The report will provide customer demographic information, annual load factors, energy consumption and demand metrics, and other relevant customer and rate characteristics in alignment with the PSC's orders in Case 22-E-0236.

2027

The EV Phase-In Rate will expand to allow eligible Rate 281 customers to apply for the EV Phase-In Rate. With this change, the implementation of the EV Phase-In Rate will conclude, and the rate will be fully operational and transition from project execution to business as usual.

3.6.3. Open Items

Table 3-24 outlines the potential risks and proposed mitigation steps for the implementation of the EV Phase-In Rate.

Table 3-24. Open Items – EV Phase-In Rate

Category	Description	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 clear customer guidance materials (rate brochures and website) to help simplify the rate for customers to understand.
		Train customer-facing business units to better assist customers.

3.6.4. Performance Reporting

By Q3 2026, benefits reporting will be fully implemented to provide clearer visibility into the impacts of the EV Phase-In Rate for both customers and the grid. Reporting will include key metrics such as usage timing, total demand, and rate comparisons against standard commercial tariffs, along with other relevant data points. PSEG Long Island has agreed to submit this data to the DPS twice annually, in July and January.



3.6.5. Schedule Implementation

The EV Phase-in Rate implementation timeline is outlined in **Table 3-25** below.

Table 3-25. Implementation Schedule – EV Phase-in Rate

Workstream	2026				2027			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Current EV Phase-In Rate Customers								
Rate 285 Customers Eligible								
Biannual Tier Recalculation								
Rate 281 Customer Base								
Customer guidance materials updated								
Rate 281 Eligible for Rate								
Reporting								
Customer Report sent to DPS								

3.6.6. Budget Reconciliation and Request

The 2027 budget request, 2028 budget projection, and variance for EV Phase-In Rate are shown in **Table 3-26**.

Table 3-26. Capital and Operating Expense Budget, Actual and Forecast (\$M)^{114,115}

Category	Actual (\$M)	Updated Forecast (\$M)	Request (\$M)	Projected (Not Requested) (\$M)	Total (\$M)
	2025	2026	2027	2028	
Capital	3.70	4.11	0.27	-	8.07
O&M	-	-	-	-	-
Total	3.70	4.11	0.27	-	8.07

Justification and Cost Drivers

The forecasted budget for 2026 is driven primarily by the planned IT budget for EV Phase-In Rate. The implementation of the EV Phase-In Rate required approximately \$3.70 million in 2025 to account for incremental IT development costs. It will further require approximately \$4.11 million for the work in 2026. The \$0.27 million in 2027 is to account for any project close out activities.

¹¹⁴ A nominal portion of the Capital Forecasts for 2026-2028 are attributed to Capital Expenditure for external (Engineering Consultant) Utility 2.0 PMO support for the EV Phase-In Rate Program.

¹¹⁵ The budgetary values presented in this table are rounded to the hundredths decimal place.



3.7. Residential Active Managed Charging Pilot

2026 Status	Proposed
2027 Status	Active
Start Year	2027
Anticipated End Year	2029 (<i>year may change based on pilot results</i>)
Description and Justification	PSEG Long Island's Residential Active Managed Charging Initiative is a planned 2027–2029 pilot that will dynamically optimize residential EV charging to reduce peak and “timer peak” impacts to improve grid reliability as EV adoption grows. The program will enroll up to 2,500 participants and use customer-set charging preferences plus grid and price signals to shift and smooth charging while still meeting customer needs. Pilot will also showcase Vehicle-to-Everything (V2X) technologies.
Key Targets	Select vendor in H2 2026. 2,500 participants targeted to be enrolled starting in 2027.

3.7.1. Scope Description

The Residential Active Managed Charging project is a planned pilot program that will test “active” (*i.e.*, dynamic) managed charging to proactively reduce the grid impacts of growing EV adoption in PSEG Long Island's service territory. While EV charging has had minimal system impact to date, continued growth in home and public charging could increase traditional peak demand periods and create new “secondary” peaks if large numbers of customers begin charging at the same time (including at the start of off-peak windows). Through this initiative, PSEG Long Island intends to enhance demand flexibility and better align EV charging with system needs, improving reliability, and informing future distribution planning and forecasting.

A solicitation was issued in Q1 2026 to select a vendor to implement this pilot program. As of submission of this filing, the bids are currently being evaluated with an anticipated selection in H2 2026. The pilot program is expected to launch in Q1 2027 and run through 2029, with a target of enrolling up to 2,500 residential participants and maintaining that enrollment level each year. Participants will receive an incentive for enrolling and participating in the pilot program. Participants set their desired charging parameters (*e.g.*, preferred state of charge and schedule), and a third-party consultant uses communication and control capabilities to continuously optimize charging in response to grid conditions and value signals – ranging from Utility rate periods (TOD) to more granular proxy price signals tied to New York Independent System Operator (NYISO) locational pricing. By staggering start times and adjusting charging profiles in near real time while meeting customer driving needs, the initiative aims to shift load away from peak periods, smooth off-peak demand, and generate



actionable insights that can support future program design and scalable implementation. PSEG Long Island will leverage data and lessons learned from the ongoing managed charging pilot with vendor Optiwatt, which is being funded through a NYSERDA grant outside of the Utility 2.0 Program.

In addition to peak reduction, the initiative is designed to broaden participation across common EV makes/models and different home charging configurations, improve visibility into where and when charging occurs (home vs. away), and establish measurement and reporting that supports cost-effectiveness and regulatory evaluation. PSEG Long Island will also seek experience with emerging capabilities such as V2X during the pilot period, positioning the program to incorporate additional grid services over time as technology and market readiness evolve.

3.7.2. Project Justification

The proposed project is intended to proactively manage increasing EV charging load in PSEG Long Island's service territory to maintain reliability and avoid both traditional peak impacts and emerging "secondary" or "timer" peaks, which can occur when customers charge simultaneously at the start of off-peak periods. In addition, PSEG Long Island would like to demonstrate V2X technologies including Vehicle-To-Home (V2H) and Vehicle-To-Grid (V2G) throughout the Pilot. By testing active managed charging, where customers set charging needs and a third-party optimizes charging in response to grid conditions and value signals, the pilot is expected to deliver customer benefits (meeting driving/charging needs with minimal effort and potential incentives) while providing system and ratepayer benefits through peak reduction, smoother load profiles, improved visibility into charging behavior, and better data to inform distribution planning, forecasting, and future program design.

3.7.3. Open Items

Table 3-27 outlines the potential risk and proposed mitigation step for the customer enrollment in the Managed Charging Pilot.

Table 3-27. Open Items – Managed Charging Pilot

Category	Description	Mitigation
Customer Enrollment	Inability to meet the targeted customer enrollment, based on performance of the vendor or the alignment between budget and marketing eligibility.	Vendor will select the appropriate method to market to and enroll customers onto the pilot.

3.7.4. Schedule Implementation

Table 3-28 illustrates the implementation of the development and program launch of the Managed Charging Pilot.



Table 3-28. Implementation Schedule – Managed Charging Pilot

Workstream	2026				2027			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Develop Program								
RFP Process								
Program Design								
Pilot Program								
Program Launch								
Implement Program & Collect Data								

3.7.5. Budget Reconciliation and Request

The 2027 budget request and 2028 budget projection for the Managed Charging Pilot are shown in **Table 3-29**.

Table 3-29. Capital and Operating Expense Budget, Actual and Forecast (\$M)¹¹⁶

Category	Updated Forecast (\$M)	Request (\$M)	Projected (Not Requested) (\$M)	Total (\$M)
	2026	2027	2028	
Capital	-	-	-	-
O&M	-	2.00	2.00	4.00
Total	-	2.00	2.00	4.00

Justification and Cost Drivers

Budget request was based off of a range of costs provided during solicitation, with a vendor not being selected at this time (selection coming this year).

¹¹⁶ The budgetary values presented in this table are rounded to the hundredths decimal place.

4. Building Efficiency & Electrification

*2026 Utility 2.0 Plan Annual Filing
and Building Efficiency &
Electrification Plan*



4. Building Efficiency & Electrification

The Climate Act sets a bold vision for New York State to achieve 100% zero-emission electricity by 2040 and reduce statewide GHG emissions by 85% by 2050 relative to 1990 levels. With buildings responsible for approximately one-third of the state's total direct carbon emissions, decarbonizing the building sector efficiency and electrification upgrades in both new construction and existing buildings is central to meeting climate goals.

The Climate Act emphasizes large-scale upgrades, targeting over 200,000 homes annually to become significantly more efficient and electrified starting in 2030,¹¹⁷ with the aim of reaching a minimum of 1 million electrified homes and up to 1 million electrification-ready homes by 2030.^{118,119} Of these, 800,000 are expected to serve LMI households.

To support these ambitious goals, New York established a statewide EE target of 185 TBtu by 2025, with the PSC assigning 31 TBtu of reductions to utilities,¹²⁰ including a minimum 3 TBtu target for LIPA, and 7.85 TBtu when combining base-level electric savings and the incremental amount established in the December 2018 Order. These fuel-neutral targets are designed to foster beneficial electrification in both building and transportation sectors, ensuring alignment with the State's decarbonization goals.

PSEG Long Island's energy efficiency and electrification programs are structured to align with regulatory directives, including the Strategic Framework of the July 2023 New Efficiency: New York Order (the "July 2023 NE: NY Order") and the LMI and Non-LMI Orders issued by the Public Service Commission on May 15, 2025 (the "May 2025 Orders"),^{121,122} which prioritize weatherization, heat pumps, and deeper building envelope upgrades while moving away from incentives for lighting and appliances.¹²³ Additionally, the May 2025 Orders provide specific targets to ensure that New York State is on a path to achieve its clean energy goals and policy objectives while driving program delivery to more income-eligible customers.

¹¹⁷ NYSEERDA Carbon Neutral Buildings Roadmap: Achieving a carbon neutral building stock in New York State by 2050.

¹¹⁸ Electrification-ready means a home or building is wired to accommodate the installation of future electric equipment (NEEP). (See **Appendix E** for URL addresses).

¹¹⁹ 2022 New York State of the State Book

¹²⁰ New Efficiency: New York Order. (See **Appendix E** for URL addresses).

¹²¹ Order authorizing Low- to Moderate-Income (LMI) Energy Efficiency and Building Electrification Portfolio for 2026-2030 (25-M-0249). (See **Appendix E** for URL addresses).

¹²² 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 addresses).

¹²³ 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.



Since 2024, PSEG Long Island has focused on whole-house heat pump installations, aiming to achieve targets established in NYSERDA's Building Efficiency and Electrification Model (BEEM).¹²⁴ In response to the May 2025 Orders, the Utility's 2027 BEE Plan has been updated to enhance weatherization and heat pump initiatives for residential, non-residential, and multi-family customers. Adopting a fuel-neutral approach and savings targets set in MMBtu allows PSEG Long Island to prioritize cost-effective, strategic measures to aggregate efficiency gains across electricity, natural gas, and delivered fuels, in line with New York's clean energy and equity policy objectives. **Table 4-1** demonstrates how PSEG Long Island's 2027 portfolio compares against the targets outlined in the May 2025 Orders.

Table 4-1. PSEG Long Island's 2027 BEE Portfolio aligned to LMI and Non-LMI PSC Orders

May 15th, 2025, New Efficiency: New York (NENY) Directives	PSC Targets	PSEG Long Island's 2027 Plan ¹²⁵
Maximize MOTD ¹²⁶	≥ 80%	76%
Small Residential Weatherization	≥ 25%	29%
Heat Pumps	≤ 50%	50%
LMI Market Segment	30%	38%
Strategic Measures	≥85%	99%
Neutral Measures	≤15%	1%

The 2027 BEE Plan will continue to offer rebate and incentive opportunities for customers, with an additional focus on several key areas to stay consistent with the Climate Act goals and align with the strategic framework of the May 2025 Orders. These key areas include increasing incentives and boosting efforts for weatherization, enhancing equitable program design and delivery mechanisms, supporting DAC participation, continuing to focus on building electrification of heating, developing approaches to improve and/or enhance customer experience through simplified program offerings, and providing more technical support where needed.

¹²⁴ 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.

¹²⁵ Subject to change if there are any budgetary changes in the future.

¹²⁶ MOTD is calculated based upon PSEG Long Island's interpretation of the methodology presented in the May 2025 Orders.



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4.1. Portfolio Budget and Target Summary

PSEG Long Island continues to be a leader in delivering innovative residential and commercial programs for its customers. The 2027 BEE Plan adopts a “Strategic Framework” to guide the evolution of EE and electrification programs and offers an array of incentives, rebates, and programs to help customers reduce energy usage and lower their bills.

In response to regulatory changes, including the Energy Independence and Security Act (EISA) of 2007 and the May 2025 Orders, the portfolio has shifted from high yield, quick installation, low-cost measures to low yield, longer installation period, high-cost measures, with increased budget directed toward weatherization and heat pump measures, along with significant budget support available for DACs and income-qualified customers. Adopting fuel-neutral savings targets (MMBtu) has enabled PSEG Long Island to invest in non-lighting opportunities, further expanding its efforts in building decarbonization opportunities.

To ensure successful program deployment, PSEG Long Island established a partner network composed of trade allies, distributors, engineers, architects, community groups, and consumer advocates. This network supports program growth and customer education, while collaboration with state agencies, other NYS utilities, and municipalities facilitates coordinated efforts toward clean energy and decarbonization goals. These partnerships facilitate attractive incentives and services that enhance energy efficiency, safety, and comfort for homes and businesses across Long Island.

The 2027 BEE Plan targets total gross site savings of 446,565 MMBtu and proposes a budget of \$80.44 million, reduced from the approved 2026 budget of \$88.33 million. Given the increased emphasis on advancing energy affordability, the BEE initiatives focus on energy solutions for income-qualified consumers, with enhanced heat pump and building envelope rebates and programmatic changes totaling approximately \$19.87 million in spending in 2027.¹²⁷

¹²⁷ This spending does not reflect investment to be made in DACs.



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

Table 4-2 summarizes the expected energy savings (on a MMBtu and MWh basis), along with the associated budgets, for the various residential and commercial components that comprise PSEG Long Island's portfolio of BEE.

Table 4-2. 2027 Building Efficiency & Electrification Goals¹²⁸

Program / Category	Annual Savings (MWh)	Annual Savings (MMBtu)	Lifetime Savings (LMMBtu-e)	Program Budget (\$M)
Residential Energy Assessment ¹²⁹	–	–	–	–
Residential Income-Qualified (REAP)	495	5,728	65,318	3.98
Residential Building Envelope ¹³⁰	TBD	TBD	TBD	24.09
Residential Space Heating	1,077	257,542	5,937,356	29.90
Residential Water Heating	250	11,372	227,443	1.68
Residential Efficient Products	2,280	42,279	465,073	1.16
Commercial	21,409	87,301	1,498,374	9.74
Multi-Family	389	42,342	968,808	5.22
Total, Budget Components Associated with Programmatic Savings¹³¹	25,900	446,565	9,162,372	75.77
Evaluation	–	–	–	0.62
Miscellaneous ¹³²	–	–	–	0.87
Labor	–	–	–	1.38
Advertising	–	–	–	1.80
Total BEE Budget Request	25,900	446,565	9,162,372	80.44

¹²⁸ The budgetary values presented in this table are rounded to the hundredths decimal place.

¹²⁹ PSEG Long Island does not claim any savings from energy assessments. In addition, home energy assessments are administered as part of the Implementation Contract.

¹³⁰ Savings are reflected as 'TBD' and final implementation design will be determined once the NYS guidance is released.

¹³¹ Program budget (\$M) includes both budget request for BEE incentives and rebates as well as a calculated adder for services to support the implementation of BEE programs.

¹³² The miscellaneous budget is allocated for General and Administrative (G&A) expenses which can include professional memberships, association fees, training and/or travel related to professional development.



Table 4-3 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 4-2**.

Table 4-3. 2027 Heat Pump Goals¹³³

Program & Measure	Savings (MMBtu)	Participation (Units)	Participation (Dwellings)	Rebates & Incentives Budget (\$M)
Residential Space Heating	257,542	25	4,085	22.75
<i>Whole-House Air Source Heat Pumps</i>	<i>250,199</i>	<i>-</i>	<i>4,000</i>	<i>21.95</i>
<i>Air to Water Heat Pumps</i>	<i>398</i>	<i>-</i>	<i>10</i>	<i>0.06</i>
<i>Ground Source Heat Pumps</i>	<i>6,945</i>	<i>25</i>	<i>75</i>	<i>0.74</i>
Residential Water Heating	11,372	975	-	1.37
<i>Heat Pump Water Heaters</i>	<i>11,372</i>	<i>975</i>	<i>-</i>	<i>1.37</i>
Commercial and Multi-Family	63,052	518	1,458	6.54
<i>Commercial Space Heating</i>	<i>20,710</i>	<i>327</i>	<i>-</i>	<i>3.11</i>
<i>Multi-Family Space Heating</i>	<i>40,659</i>	<i>41</i>	<i>1,458</i>	<i>3.25</i>
<i>Multi-Family Water Heating</i>	<i>1,682</i>	<i>150</i>	<i>-</i>	<i>0.18</i>
Total	331,966	1,518	5,543	30.66

Plans for 2027 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 lowering household energy bills, reducing carbon emissions, supporting climate justice, and reducing bill impacts on all customers. In the proposed 2027 budget and shown below in **Table 4-4** and **Table 4-5** PSEG Long Island plans on spending \$19.87 million on income-qualified customers.

¹³³ The budgetary values presented in this table are rounded to the hundredths decimal place.

Table 4-4. 2027 Income-Qualified Customer Goals – Low Income¹³⁴

Program & Measure	Savings (MMBtu)	Participation (Units)	Participation (Dwellings)	Rebates & Incentives Budget (\$M)
Residential Space Heating – LI	62,900	-	1,005	8.17
Whole-House Air Source Heat Pumps	62,550	-	1,000	8.10
Air to Water Heat Pumps	80	-	2	0.02
Ground Source Heat Pumps	271	-	3	0.06
Residential Water Heating – LI	2,669	225	-	0.39
Heat Pump Water Heaters	2,669	225	-	0.39
Residential Building Envelope – LI	TBD	TBD	TBD	9.45
Residential Weatherization	TBD	TBD	TBD	9.43
Residential Windows	TBD	TBD	TBD	0.02
Residential Income-qualified (REAP)	5,728	19,215	-	1.35
Total	71,298	19,440	2,320	18.02

Table 4-5. 2027 Income-Qualified Customer Goals – Moderate Income¹³⁶

Program & Measure	Savings (MMBtu)	Participation (Units)	Participation (Dwellings)	Rebates & Incentives Budget (\$M)
Residential Space Heating - MI	12,860	-	205	1.14
Whole House Air Source Heat Pumps	12,510	-	200	1.09
Air to Water Heat Pumps	80	-	2	0.01
Ground Source Heat Pumps	271	-	3	0.04
Residential Building Envelope - MI	TBD	TBD	TBD	0.72
Residential Weatherization	TBD	TBD	TBD	0.72
Total	12,860	-	327	1.85

4.1.1. 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 to:

¹³⁴ The budgetary values presented in this table are rounded to the hundredths decimal place.

¹³⁵ The Residential Income-qualified program is administered as part of the Implementation Contract.

¹³⁶ The budgetary values presented in this table are rounded to the hundredths decimal place.



- Increase customer understanding of the associated benefits of energy efficiency and electrification, 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, rebates, and incentives.
- 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 to:

- Reinforce PSEG Long Island's commitment to clean energy and environmental stewardship.
- Create a unified BEE approach that integrates both residential and small business programs, reflects the customer journey, and delivers cohesive, streamlined messaging across all marketing channels.
- Utilize available resources 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.

4.1.1.1. Customer Experience Enhancement Plans

In the second half of 2025, PSEG Long Island initiated a significant effort of residential energy efficiency customer journey mapping and action planning. This effort also included persona-based journey development and analysis to examine customer program awareness and consideration, identify participation barriers and pain points, and to produce evidence-based improvement opportunities. The goal of this effort was to learn how to deliver a streamlined, customer-focused experience, while highlighting unique needs of different customer segments.

Based on the research findings, PSEG Long Island has streamlined customer journeys to enhance the overall customer experience. The modifications include improved website and program structure, streamlined customer and contractor facing tools, deeper customer education during assessment, evaluation of customer satisfaction surveys, and increased contractor engagement and training opportunities.



4.1.1.2. 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 increased J.D. Power scores

J.D. Power research suggests that customers who are aware of and participate in PSEG Long Island's programs tend to trust and view the Utility more favorably.¹³⁷ As part of its strategy to increase awareness of the Utility's BEE programs, PSEG Long Island focuses on educating customers about saving energy and money, addressing priorities revealed through research. PSEG Long Island increases awareness of its BEE programs by implementing targeted messaging using demographic data through various channels such as mass media (print, radio, TV), tactical (emails, direct mail, newsletters), and targeted platforms (digital, social media).

These tactics communicate information about BEE measures and their benefits to both broad audiences and specific groups, allowing PSEG Long Island to target parameters such as age, income level, homeowner versus renter, and those more inclined to embrace green technology. Additionally, in 2023, the Utility launched a marketing plan to boost heat pump adoption, with an ongoing emphasis on identifying and reaching potential customers using propensity modeling through 2026.

Over the last 10 years, PSEG Long Island has successfully implemented campaigns to drive overall BEE awareness, increase energy affordability and support clean energy goals. In 2025, the BEE advertising campaign delivered nearly 221 million impressions across 24 different paid media tactics, such as social media, digital display, search engine marketing, door hangers, and connected TV, promoting rebates and energy assessments. PSEG Long Island plans to continue these strategies next year. Additional details on specific marketing and outreach efforts are included in the program sections of this chapter.

4.1.1.3. 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 uses customer and contractor facing data collection tools to collect site, equipment,

¹³⁷ JD Power 2025 Sustainability Index (See **Appendix E** for URL addresses).



and cost data. These tools also calculate rebate and savings, assisting participants estimate their energy savings and potential rebates.

- **PSEG Long Island Marketplace:** As part of the Residential Efficient Products Program, the PSEG Long Island Marketplace enables market-rate and LMI customers to explore BEE measures, both incentivized and non-incentivized measures, including smart thermostats and electric vehicle chargers. More details on the Marketplace can be found in **Section 4.2.6**.
- **PSEG Long Island Partner Portal:** Approved PSEG Long Island residential and commercial Partners can submit applications and project documents through the Partner Portal, which streamlines processing and tracks progress from initial application submissions to rebate payment.

4.1.2. Disadvantaged Communities

PSEG Long Island, in consultation with its marketing and advertising agency, has developed a plan to support the state's goal of targeting 45% of EE and Clean Energy benefits to residential and business customers in DACs or households that are 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 focused on the benefits of BEE for DACs.

The CJWG voted to accept criteria on March 27, 2023, and final statewide reporting guidance has recently been released as of Q2 2026. Expenditures are currently the primary reporting metric as opposed to benefits, which have yet to be defined. PSEG Long Island has populated the initial draft data collection template for calendar years 2020 through 2025, using 2019 census tract data to define DACs. PSEG Long Island has reviewed the released guidance document and is working on populating the updated data collection template. PSEG Long Island does not anticipate any major changes to the data tracking.

PSEG Long Island is committed to supporting its customers residing in DACs and exploring new ways to promote BEE. In addition to mass media advertising through its agency of record, PSEG Long Island also leverages additional analytical tools to target specific DAC and low-income customers, a practice planned to continue in 2027. These tools can provide 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 help maximize marketing and outreach to DACs through 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 additional language to accommodate non-English-speaking communities. In 2025, the Utility enhanced multilingual communications via email, providing customers with the ability to instantly



translate messages into over 130+ languages. The effectiveness of these campaigns will be monitored, measured, and optimized using metrics such as email and digital ad engagement, sales, BEE conversions, and other relevant KPIs to track achievements towards set goals.

PSEG Long Island's Business First Advocates also support ongoing outreach and awareness of BEE programs, including events such as Community Wide Energy Forums in DACs. PSEG Long Island continues to offer enhanced incentives, where applicable, throughout the BEE portfolio to target and engage the DAC customers. Additionally, PSEG Long Island can report upon customer program participation by census tract, which supports targeted outreach to customers within DACs. This ability helps track DAC participation in its non-income qualified program offerings and ensures alignment with the 45% statewide goal for the NYS ratepayer-funded portfolios.

4.1.3. Implementation Services

PSEG Long Island partners with TRC to deliver the Utility's BEE programs under a Master Services Agreement (MSA) that has been effective since 2015. TRC designs, implements, and manages the residential and commercial programs offered under the PSEG Long Island brand. TRC focuses on day-to-day BEE portfolio operations, while PSEG Long Island retains overall planning, budgeting, and advertising functions.

Program implementation involves ongoing analysis and continuous improvement of implementation methods in program delivery, market support, and measure mix. Key activities include qualifying new products and projects, validating project scopes, conducting pre- and post-inspections, processing rebates and 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. Additionally, TRC is responsible for program analytics and reporting, collaborates with the PSEG Long Island's program planning team, and participates in annual program evaluation to ensure that the appropriate program participation data and program level information is provided for the annual program evaluation purposes.

4.1.4. 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.¹³⁸ PSEG Long Island works with the Clean Energy Hub on all programs, with an increased emphasis on programs catering to LMI and DAC populations. This coordinated

¹³⁸ Long Island Regional Clean EnergyHub (See **Appendix E** for URL addresses).



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

4.1.5. BEE Portfolio of Programs

Table 4-6 lists the programs offered under the 2027 BEE Plan that are administered by TRC and how they serve different customer segments.

Table 4-6. Summary of 2027 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
Multi-Family	Energy Efficiency Services
	In-Unit ASHP & VRF
	Common Area ASHP & VRF
	In-unit Heat Pump Water Heaters
All	PSEG Long Island Marketplace

4.1.6. Money-Out-The-Door (MOTD)

PSEG Long Island presents its energy efficiency budget request which includes the Money-Out-the-Door (MOTD) framework calculation consistent with the PSC's guidance for computing the MOTD metric for tracking the percent of program expenditures allocated to directly benefiting customers.¹³⁹ Under this framework, MOTD reflects funds deployed into the market in support of program delivery, including customer incentives, contractor payments, and other direct, customer-facing expenditures.

¹³⁹ 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 addresses).



For purposes of reporting and performance tracking, the BEE budget represents total spending on the energy efficiency portfolio and serves as the denominator in the MOTD calculation. Accordingly, the budget request presented in this filing reflects total BEE program costs against which customer-facing expenditures applied as the numerator and achievement toward the 80% goal evaluated.

MOTD is intended as a measure of program funds delivered into the market and is not designed to represent the department's full internal cost structure. As such, it should not be interpreted as a proxy for overall labor, staffing levels, or administrative costs. While labor supports program administration, technical review, and quality assurance associated with delivering the in-market program offerings, it represents only a portion of total department workload costs and does not scale proportionally with customer-facing expenditures.

This distinction is further reflected in how labor resources are allocated and reported. Company staff supporting energy efficiency programs frequently spend time across multiple functions, some of which are outside of the program development, implementation, and evaluation functions necessary to provide the energy efficiency and beneficial electrification programs being offered to customers. As a result, only the portion of labor attributable to ensuring the delivery of energy efficiency and beneficial electrification programs is included within program cost categories and, where applicable, within MOTD.

4.1.7. Benefit-Cost Analysis

While PSEG Long Island's BEE planning is conducted on a gross basis at the customer meter to align with state objectives, the cost-effectiveness screening is still performed on a net basis, accounting for potential free riders and spillover effects from program offerings. PSEG Long Island has historically used two separate tests to screen each program and for the overall portfolio: the 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 excludes rebate costs as they are viewed as transfer payments at the societal level. The SCT also includes non-electric (*i.e.*, gas and fuel oil) energy savings where applicable, resulting in different benefit totals than the UCT 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 rebate and incentive costs but excludes costs incurred by the participant.



- The RIM test is 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.

PSEG Long Island now uses the SCT as the primary method for evaluating program costs and benefits and has utilized the 2026 avoided capacity and energy costs to screen its 2027 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**.

Table 4-7 presents the benefit-to-cost ratios for the SCT, UCT, and RIM tests for each program sector and for the overall BEE portfolios. This also includes income-qualified components that are part of various programs.

Table 4-7. BCA for 2027 BEE Portfolio

Program/Sector	SCT	UCT	RIM
Residential Income-Qualified (REAP)	0.47	0.16	0.11
Residential Building Envelope ¹⁴⁰	TBD	TBD	TBD
Residential Space Heating	3.74	(0.69)	2.07
Residential Water Heating	2.03	(0.34)	0.78
Residential Efficient Products	5.47	0.68	0.15
Total Residential BEE Portfolio	3.44	(0.54)	1.70
Commercial	1.57	1.13	0.29
Multi-Family	1.93	(1.54)	1.68
Total Commercial BEE Portfolio	1.70	0.20	0.54
Overall Portfolio	2.83	(0.31)	1.09

The 2027 BEE Portfolio is cost effective at the overall portfolio level, as well as at the Residential, Commercial, and Multifamily portfolio levels. In the Residential portfolio, SCT ratios vary by program with the Residential Income-qualified (REAP) Program below 1.0. The low BCR for this program may be attributable to the emphasis on weatherization measures and the fact that it is an income qualified program. Weatherization measures require high upfront investments to achieve relatively small, delayed electricity savings. In addition, it is not unusual for income qualified programs to return cost-ineffective due to high initial investments, and exclusion of certain benefits in the SCT.

¹⁴⁰ BCA was not performed on the Residential Building Envelope program at this time since PSEG Long Island is awaiting state guidance on minimum weatherization requirements.



From a utility perspective, the overall portfolio UCT is negative. This is indicative of the increase in electricity associated with electrification measures such as heat pumps, which makes the portfolio cost-ineffective from a utility perspective. As the portfolio has shifted toward beneficial electrification measures, many of the program UCTs are low or negative. Essentially, these programs increase the cost of operating the electric system. Another key reason the UCT is cost ineffective is that it does not count fossil fuel benefits. In particular, even the Residential Efficient Products program, which is solely smart thermostats, is not cost effective under the UCT. This is because most of the benefits are fossil fuel savings which do not accrue to PSEG Long Island.

From the ratepayer perspective, the RIM Benefit Cost Ratio (BCR) of the overall portfolio is cost-effective. As the Residential Building Envelope program is omitted from the BCA at this time, the portfolio is comprised primarily of measures that increase electricity consumption. Beneficial electrification-heavy programs, such as Residential Space Heating and Multi-Family Programs, are the only programs with a RIM ratio greater than 1.0. Increased electricity consumption from electrification measures, such as heat pumps, raises overall kWh while decreasing (or at least not increasing) peak demand, thereby putting downward pressure on rates by reducing the need for additional infrastructure investment. Installation of heat pumps increases winter electricity demand due to fuel switching from fossil fuels to electric space heating, while reducing summer consumption as heat pumps replace older, less efficient ACs.

4.1.8. Evaluation, Measurement, and Verification

PSEG Long Island works with a third-party consulting firm to conduct annual evaluations of the BEE Portfolio programs and develop any ad hoc evaluation studies deemed necessary. As part of the annual evaluation cycle, the third-party evaluator produces two volumes: Volumes I and II. Together, these volumes comprise the Annual Evaluation Report.

Volume I will provide an overview of evaluation findings, including impact and process results for 2027. Volume II of the 2027 Annual Evaluation Report, the Program Guidance Document, will provide a detailed program-by-program review of gross and net impacts of the BEE Portfolio programs 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 ex-post energy and demand savings. Annual Evaluation Reports consist of the following four overarching categories outlined in **Table 4-8**.



Table 4-8. Annual Evaluation Report Categories

Category	Description
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 ex-post energy, demand, and environmental impacts achieved from each BEE program. - 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.



4.2. Residential Building Efficiency & Electrification

PSEG Long Island delivers engaging residential programs that support customers at every stage of their energy efficiency journey. Programs are available for market rate, income-qualified (low-to-moderate income), and DAC customers, ensuring all households have access to solutions that help reduce energy use, improve home comfort, and advance New York State's energy goals. The 2027 residential portfolio includes: Energy Assessments, Building Envelope, Space Heating, Water Heating, and for the vulnerable customer population, an income-qualified Direct Install (DI) program (REAP) as well as enhanced rebates for heat pumps and weatherization upgrades for LMI customers.

Customers may qualify for LMI rebates based on income eligibility verification or DAC rebates based on geographic census tract designation. Customers who do not meet income eligibility or geographic DAC requirements receive market-rate rebates.

For the Residential Space Heating Program, Residential Building Envelope Program, and the Residential Income Qualified Program, income eligibility is aligned with NYSERDA EmPower + and is defined as:

- **Low Income** Households at or below 60% of the SMI or AMI, whichever is greater
- **Moderate Income** – Households between 60% and 80% of the SMI or AMI, whichever is greater¹⁴¹

Income eligibility is determined by Energy Finance Solutions (EFS) and Slipstream for the Space Heating Program and the Building Envelope Program. Income qualification in the REAP Program is done by PSEG Long Island (see **Section 4.2.2**). To qualify for DAC rebates, customers must reside within a geographic census tract that has been designated as a DAC by NYSERDA. In addition to PSEG Long Island's rebates, some customers may be eligible for rebates through NYSERDA's EmPower+ Program. The EmPower+ program supports LMI households with additional incentive opportunities for clean energy upgrades. Customers who are interested in exploring EmPower+ budget must work with an EmPower+ contractor. The EmPower+ program is open to income-eligible homeowners and renters of one- to four-family households. Eligible space heating and building envelope customers may also have access to financing through the Green Jobs-Green New York program. The Green Jobs-Green New York program provides eligible customers with loans for the purchase and installation of energy efficiency and electrification measures.

¹⁴¹ NYSERDA LMI Glossary defines Low and Moderate Income. (See **Appendix E** for URL addresses).



4.2.1. Residential Energy Assessment

Type	Residential
2027 Program Budget	Energy assessments are performed as part of the Implementation Contract hence PSEG Long Island does not request any budget for 2027.
Description	PSEG Long Island single family market-rate and income-qualified customers are eligible for free comprehensive home energy assessments. Energy assessments are conducted by an accredited Building Performance Institute (BPI) contractor and are intended to educate the customer about opportunities to improve the home building envelope and heating and cooling system.
Key Targets	7,000 free home energy assessments - Educate customers on PSEG Long Island’s market-rate and income-qualified rebates

4.2.1.1. Scope Description

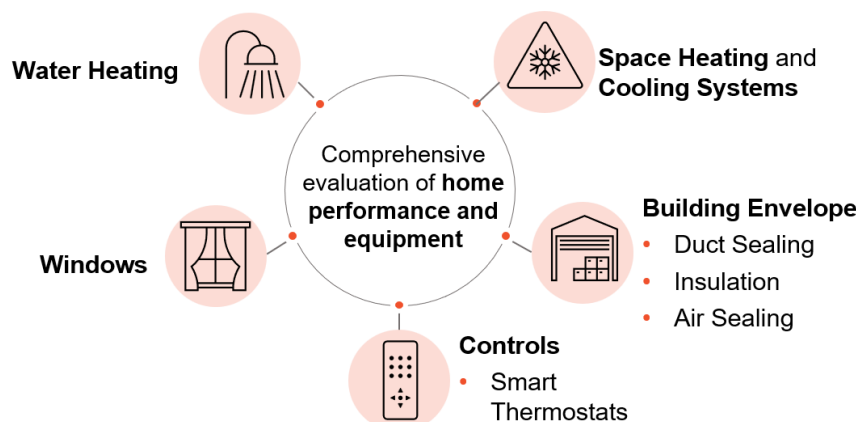
PSEG Long Island’s Residential Energy Assessment program provides free home energy assessments for all customers. Energy assessments are conducted by approved and vetted PSEG Long Island Partners, who are accredited by BPI. The objective of the energy assessment is to inform and educate customers of existing home conditions and identify opportunities to improve the energy performance of the home. If the customer permits it, the Partner will also conduct a blower door test during the assessment.

Customers may apply for a free Residential Energy Assessment through the PSEG Long Island Home Energy Assessment Online Application. Once the application is submitted with the selection of a preferred contractor, an energy assessment will be scheduled within 5-7 business days.

Figure 4-1 below, demonstrates elements of a typical residential energy assessment and the comprehensive scope for data collection.



Figure 4-1. Residential Evaluation of Home Performance and Equipment



Upon completion of the free energy assessment, the Partner will document all the findings in the data collection tool and will schedule a follow-up call or a home visit to provide a PDF summary of the assessment results and discuss next steps. During the follow-up call or home visit, the Partner will educate customers on energy efficiency upgrades and incentives offered by PSEG Long Island.

Program Eligibility

Single-family customers (homeowners and renters) are eligible for up to two free home energy assessments per account.

Please note, income eligibility is not a component of the Residential Energy Assessment Program. However, customers who may qualify as LMI during an energy assessment are referred to the respective programs available for income-qualified customers. In the new 2026 version of the Home Energy Assessment Tool, an “Income Eligibility Information” tab was added to the tool to ensure customers are educated on all income-qualified programs including REAP, the Residential Space Heating Program, and the Residential Building Envelope Program. LMI customers may choose to also participate in the REAP Program to receive additional income-eligible benefits. Please refer to **Section 4.2.2** for further discussion on income-qualified program offerings.

4.2.1.2. Notable Changes

2026

The 2026 Residential Energy Assessment Program launched an enhanced energy assessment data collection tool that emphasizes customer education, cross-program promotion, and detailed data collection. The data collection fields were updated to align with the Department of Energy’s Home Energy Score Tool, allowing eligible contractors who



participate in the PSEG Long Island Residential Energy Assessment Program and NYSEDA's Energy Efficiency Revolving Loan Fund to provide low-interest loan opportunities to their customers.

Customers continue to have access to MyHEAT data and the comprehensive results summary that includes baseline home data, market-rate and income-qualified rebate opportunities, and eligible measures.

Please note, as of Q1 2026, baseline data for each household is imported into the program database to create a building stock of existing homes in the PSEG Long Island service territory.

2027

Historically, energy assessments were not mandatory for program participation, however, starting in 2027, customers will be required to complete an energy assessment prior to participating in the Residential Building Envelope Program so that the PSEG Long Island Partner can assess the existing home conditions appropriately before making recommendations for energy efficient upgrades. In general, energy assessments are highly recommended as the first step in a comprehensive evaluation of the services a customer may benefit from.

For the 2027 Residential Energy Assessment Program, PSEG Long Island Partners will continue to use the newly updated Energy Assessment Data Collection Tool. The tool will be updated to include additional customer education on new building envelope and space heating requirements beginning in 2027 and continuing into 2028. Updates will include language related to the forthcoming minimum weatherization requirements and efficiency minimums, for a "Heat Pump Ready" designation. For more information on the anticipated changes in building envelope and space heating see **Sections 4.2.3 and 4.2.4**.

4.2.1.3. Open Items

There are no open items for the Residential Energy Assessment Program.

4.2.1.4. Measures and Incentives

The measures and incentives associated with the Residential Energy Assessment Program are outlined in **Table 4-9**.

Table 4-9. Residential Energy Assessment Measures and Incentives

Target Market	Measure	2027 Planned Units	Measure Rebates
Market-Rate	PSEG Long Island Marketplace Voucher (Home Energy Assessment)	3,500	\$20



2027 Marketplace Vouchers are planned for 3,500 customers as not all customers will take advantage of the voucher opportunity.

4.2.1.5. Marketing and Outreach

Awareness of the Residential Energy Assessment Program offerings 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.

4.2.2. Residential Income-Qualified Program (Currently known as Residential Energy Affordability Partnership Program)

Type	Residential
2027 Program Budget	\$3.98 M
Description	The REAP provides income-qualified customers with a free residential energy assessment, health and safety testing, direct install energy efficiency and water-conservation measures, and light building envelope improvements conducted by accredited Building Performance Institute PSEG Long Island Partners.
Key Targets	• 2,000 REAP visits/audits at no cost to the customer • Customer education in programs and services offered by PSEG Long Island

4.2.2.1. Scope Description

The REAP Program offers a comprehensive participation package for income-qualified customers that starts with a free residential energy assessment (similar energy assessment offered to market rate and DAC customers) and health and safety testing conducted by a BPI certified, and approved, PSEG Long Island Partner. REAP customers receive free EE measures, water conservation measures, and light building envelope upgrades, all installed at no cost to the customer. REAP customers also benefit from a deeper education component during REAP participation that is called the “Kitchen Table Talk.” The “Kitchen Table Talk” is a discussion between the REAP customer and the REAP Technician on current utility bills, energy behaviors, assessment findings, and LMI rebate opportunities available through other PSEG Long Island programs.

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.



Upon enrollment in the REAP Program, customers can anticipate the following journey outlined in **Figure 4-2** below. It is estimated that 2,000 REAP assessments will be conducted in the 2027 Program Year. As per the May 2025 PSC Order, LED lighting is considered Neutral if installed as part of the comprehensive package for LMI customers through 2027. LED bulbs will be phased out starting 2028.

Figure 4-2. REAP Project Process

Step 01

The **REAP Partner** will:

- Conduct a **Blower Door Test (BDT)**.
- Complete **Home Health and Safety testing**.
- **Evaluate** the home's appliances, heating and cooling equipment, and building envelope, following the format of the traditional HEA.

If eligible, the REAP Partner will install **free energy efficient measures**:

- Water Conservation Measures
- LED Lighting
- Light Weatherization Measures

Step 02

The REAP Partner will evaluate results from the **BDT & home evaluation** to identify the **most beneficial programs** for the REAP customer.

They will arrange a **meeting** with the customer, either in-person or virtually, to discuss next steps and create an **energy plan**:

- This meeting, the **"Kitchen Table Talk,"** involves a one-on-one discussion about energy usage and behaviors and provides education on additional rebate programs.
- The customer also receives a **folder with information about other PSEG Long Island programs** and neighboring assistance programs.
- The REAP Partner will inform the customer on **equipment and eligible funding options** from entities like PSEG Long Island, NYS, and the Federal Government.

If the REAP customer qualifies for a **free connected smart thermostat**, it is usually **installed in this step**.

Step 03

The REAP Partner will work with the customer to convert them to the **Building Envelope program and then Space Heating program**. If the customer chooses to participate in the Building Envelope program, the REAP Partner can install the eligible measures and the **customer will receive rebates** through the Building Envelope program.

Program Eligibility

LMI customers are eligible for the income-qualified (REAP) program offerings. 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 statement. Customers are eligible to participate in the REAP Program once every five years. REAP eligibility is open to renters or owners who reside in single-family homes, multi-family homes, apartments, and condominiums.

Measures and Incentives

REAP customers are eligible for free direct installation measures and light building envelope upgrades, a \$50 bill credit, and a \$35 Marketplace voucher, as shown in **Table 4-10** below. Note that no savings have been associated with the payment of this voucher for purposes of computing planned 2027 savings.



Table 4-10. Residential Energy Assessment (Income Qualified) Measures and Incentives

Measure	2027 Planned Units	Measure Rebates
PSEG Long Island Marketplace Voucher (REAP)	2,000	\$35 ¹⁴²
Water Temperature Turndown	10	—
Faucet Aerators/unit	400	—
Low Flow Showerheads/unit	180	—
Thermostatic Valve	135	—
Pipe Insulation/In ft – Electric ONLY	215	—
Pipe Insulation/In ft – FF Baseline	200	—
Nightlight	1,575	—
LED Bulbs ¹⁴³	12,000	—
Smart Thermostats	1,500	—
Attic Hatch Insulation	350	—
Water Heater Blanket Insulation – Electric Only	100	—
Door Sweep	550	—

4.2.2.2. Notable Changes

2026

The REAP Customer Journey in 2026 shifted towards deeper customer education with an emphasis on customer conversions to other PSEG Long Island LMI offerings. A “PSEG Long Island Income Determination Tool” was launched and added to the REAP workbook to allow customers to explore potential rebate opportunities through the PSEG Long Island program and NYSERDA Empower+ Program. The customer, or a REAP Technician, simply must enter the number of people in the home and the total household income to receive “up to” rebate estimates for all PSEG Long Island LMI programs. Language was added in the tool regarding budget opportunities through the NYSERDA EmPower+ Program.

¹⁴² Note that PSEG Long Island does not allocate any budget for the vouchers as the REAP program is administered as part of the Implementation Service Fee.

¹⁴³ The EE/BE Order classified light bulbs as a non-strategic measure that may continue in limited applications through 2027. After 2027, LED bulbs will be phased out.



In mid-2026, the \$30 Marketplace voucher, sent to the customer post-energy assessment as a “Thank-you”, increased to \$35, to better serve customers as the Marketplace provides free shipping on the purchase of energy efficiency measures that total to \$35 or more.

2027

The REAP Customer Journey in 2027 will remain similar to the 2026 journey, including the \$35 Marketplace voucher.

As a result of forthcoming statewide guidance on building envelope minimums and efficiency requirements that impact both the Building Envelope Program and Space Heating Program, REAP education will be tailored to reflect those updates. For more information on the Residential Building Envelope and Residential Space Heating Programs see **Sections 4.2.3** and **4.2.4**.

4.2.2.3. Open Items

The open items associated with the Residential Income-Qualified Program are outlined in **Table 4-11** below.

Table 4-11. Open Items – Residential Income-Qualified Program

Category	Open Item	Mitigation
Building Envelope NYS Guidance	PSEG Long Island is monitoring forthcoming NYS guidance on building envelope measure minimums and requirements and will consider potential implications for the program’s customer education component.	PSEG Long Island continues to engage with the JUs, DPS, and NYSERDA. Upon receipt of statewide guidance on measure requirements and minimum efficiency requirements, PSEG Long Island will evaluate and align the program implementation details and incentive structure for the Residential Space Heating and Residential Building Envelope programs, as appropriate for LMI customers.

4.2.2.4. Marketing and Outreach

In addition to Marketing and Outreach efforts discussed in **Section 4.2.1.5**, program awareness is also driven by direct interactions with members of the REAP team at community events, most notably the REAP Energy Forum for Advocates. The event, organized by the REAP Program Manager, 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.



4.2.3. Residential Building Envelope

Type	Residential
2027 Program Budget	\$24.09 M
Description	The Residential Building Envelope Program provides rebates to eligible customers to weatherize their homes, reduce energy usage and utility bills while improving comfort. The program leverages home energy assessment participation and PSEG Long Island rebates to promote holistic whole-home solutions for building envelope and space heating upgrades.
Key Targets	Key targets will be developed upon receipt of statewide guidance on weatherization programs and “Heat Pump Ready” specifications.

4.2.3.1. Scope Description

The Residential Building Envelope Program offers a whole-home approach to achieving building envelope upgrades and preparing a home for cost effective whole-home heat pump solutions. A building envelope project consists of measures such as air sealing and insulation, by a BPI-accredited contractor who is also an approved PSEG Long Island Partner. Blower door tests are also required during a building envelope project to ensure the appropriate insulation and air/duct sealing levels are achieved.

Beginning in 2027, in order to be eligible for the “Weatherized” tier (or known as “Heat Pump Ready” tier) rebates, customers will be required to install specific eligible measures at minimum efficiency requirements (such as R-value minimums) associated with these measures. Required measures and minimum efficiency standards will be evaluated and defined when statewide guidance becomes available later in 2026.

Customer participation in the Residential Space Heating program after the Residential Building Envelope Program is highly encouraged. This is commonly referred to as the defined “combination” project pathway. PSEG Long Island has a list of Partners who are eligible to participate in both the Residential Building Envelope and Residential Space Heating programs. These partners are encouraged to leverage their skillsets and knowledge to complete more “Combination” projects. To engage with and encourage more partners, and to demonstrate the benefits associated with completing “Combination” projects, PSEG Long Island offers tool reimbursements, additional incentives for completing “Combination” projects, and workbook support. All measures associated with a “Combination” project are available in one workbook to also streamline project submission.



Weatherization minimum requirements will also impact the “Heat Pump Ready” rebate requirements available through the PSEG Long Island Residential Space Heating Program. For more information on the Residential Space Heating Program, see **Section 4.2.4**.

Per 2026 Partner enrollment data, 31 Partners have been approved to participate in this program, an increase of 6 over the number of 2025 Partners. Note that the 31 participating Partners includes those who also participate in the Residential Space Heating Program.

Program Eligibility

Existing single-family homeowners (market-rate or LMI/DAC) who heat their home with oil, propane, or electric are eligible for this program. Natural gas customers who complete a combination project or qualify as LMI may also qualify for this program. Market-rate and Market Rate DAC natural gas customers who wish to install building envelope-only upgrades must participate through National Grid’s Weatherization program. Customers may participate once every two years. Customers must complete an energy assessment before participating in the Residential Building Envelope program.

4.2.3.2. Notable Changes

2026

The Residential Building Envelope Program increased incentives for all customer segments compared to 2025 rebate levels. A moderate-income component was also introduced to align with NYSERDA’s Empower+ program.

As 2026 is the transition year to better develop and align regional weatherization programs, PSEG Long Island remains on the pulse of weatherization discussions among the New York State Utilities, the DPS, and NYSERDA on the future of weatherization programs in 2027 and 2028. It should be noted that at the time of this filing, statewide guidance has not yet been established.

2027

The Residential Building Envelope Program in 2027 will shift towards holistic whole-home weatherization solutions that promote cost effective opportunities for customers to achieve affordable whole-home electrification, also known as “Heat Pump Ready” designation and optimize home comfort and performance. All customers who wish to participate in the Building Envelope program must complete a residential energy assessment, prior to participation.

The overall planned budget for the 2027 Residential Building Envelope program has increased to support all customer segments and outcomes associated with statewide guidance. This is due to the emphasis on whole-home weatherization, per the May 2025



Orders. The New York State utilities are directed to promote whole-home electrification solutions that start with a fully weatherized home starting in 2028. Increased rebate levels might be required to achieve the State’s required weatherization standard. Resultantly, the 2027 Rebate / Incentive budget has increased to provide customers with funding opportunities to balance out-of-pocket costs associated with achieving the new forthcoming eligible measure and minimum efficiency requirements. PSEG Long Island considers 2027 as a transition year to gather insights on customer adoption rate, economics for weatherization projects, and other inputs to inform future program design.

Note that 2027 Residential Building Envelope planning efforts differ from those in prior years. Previously, the annual plan was developed utilizing historical participation data and analyzing trends. During the 2027 planning efforts, since there are many unknowns, creating a specific plan inclusive of incentive levels is not feasible due to timing and the lack of statewide guidance on measure-specific requirements and minimums. Statewide guidance is anticipated to be available between September and December 2026. Upon receipt of statewide guidance, PSEG Long Island will evaluate and align program implementation and structure, as appropriate.

Rebates will be available for market-rate, LMI, and DAC customers. The measure mix will include the measures listed in **Section 4.2.3.4**. However, the exact measure requirements for a “Heat Pump Ready” designation will be determined once the NYS guidance becomes available.

4.2.3.3. Open Items

Table 4-12. Open Item – Residential Building Envelope

Category	Open Item	Mitigation
Building Envelope NYS Guidance	PSEG Long Island is monitoring forthcoming NYS guidance on building envelope measure minimums and requirements and will consider potential implications for the program’s customer education component.	PSEG Long Island has allocated budget in this filing for the Residential Building Envelope Program and PSEG Long Island will continue to engage with the JU, DPS, and NYSERDA. Upon receipt of statewide guidance on measure requirements and minimum efficiency requirements, PSEG Long Island will evaluate and align the program implementation details and incentive structure, as appropriate.

4.2.3.4. Measure and Incentives

Implementation details and rebate structure for all customer segments will be defined upon receipt of statewide guidance on weatherization measures and minimum requirements. Rebates will be developed to align with New York State’s objective to fully weatherize homes prior to electrification. The 2027 program year will prepare the market for 2028, when homes



will need to meet more stringent requirements to be considered “Heat Pump Ready” and before undergoing a whole-home space heating upgrade.

Figure 4-3 and **Table 4-13** show Residential Building Envelope measures and incentives available for residential customers.

Figure 4-3. Residential Building Envelope Measures and Incentives Description

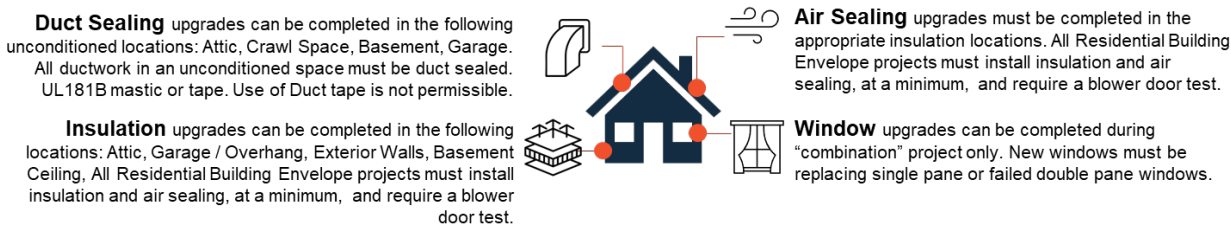


Table 4-13. Residential Building Envelope Measures and Incentives

Target Market	Measure Mix	Total Rebate / Incentive Budget ¹⁴⁴
Market-Rate, LMI, DAC	Whole-Home Air Sealing, Attic/Ceiling Insulation, Rim Joist Insulation, Exterior Wall Insulation, Other Insulation (Knee-Wall, Garage Wall, Crawl Space, Overhang, Floor), Duct Sealing, Windows	\$17,542,200

4.2.3.5. Marketing and Outreach

The Residential Building Envelope Program engages customers through PSEG Long Island–sponsored events, direct mail, the program website, and outreach conducted by approved PSEG Long Island Partners. PSEG Long Island Partners play a central role in driving participation by engaging customers through the Residential Energy Assessment Program and supporting deeper home upgrades. Partners are supported through workforce development initiatives, training and tool reimbursements, and a 50/50 marketing cost-share program, with additional support provided through weekly PSEG Long Island Open-House meetings. The program team also meets monthly with the Long Island Building Performance Contractors Association to address contractor challenges and gather feedback. New in 2026, relationships have been established with the Long Island Board of Realtors to collaborate on educational opportunities for local realtors.

¹⁴⁴ PSEG Long Island has allocated the overall Rebates/Incentives budget for the Residential Building Envelope program. The measure requirements for the “Weatherized” tier and the minimum requirements will be finalized when the NYS guidance becomes available.



4.2.4. Residential Space Heating

Type	Residential
2027 Program Budget	\$29.90 M
Description	The Residential Space Heating Program offers market-rate, income-qualified, and DAC customers rebates for qualifying whole-house heat pump systems – including cold-climate air source, air-to-water, and ground-source heat pumps – that are sized to fully meet a home’s heating needs.
Key Targets	• 4,085 Dwellings • 257,542 MMBtus • Education on clean heating and cooling systems

4.2.4.1. Scope Description

The Residential Space Heating Program supports the transition to high-efficiency, whole-house electric heating solutions and provides rebates for market-rate, income-qualified, and DAC customers to install qualifying whole-house heat pump systems, including Cold Climate Air Source Heat Pumps (ccASHP), Air-to-Water Heat Pumps (AWHP), and Ground Source Heat Pumps (GSHP). The newly installed space heating system must be installed as the primary heating system for the home. Integrated controls are required if the customer opts to retain their existing fossil fuel heating system as a secondary, backup heating source, but are no longer rebated.

Eligible heat pumps must be either Northeast Energy Efficiency Partnerships (NEEP) or Air Conditioning, Heating, and Refrigeration Institute (AHRI) listed, or found on the New York State Clean Heat QPL (AWHPs) and sized to 100-120% of the design-day heating load based on an Air Conditioning Contractors of America (ACCA) approved Manual J.

Rebates for all space heating measures are calculated on a flat rate \$/Dwelling basis and will be categorized as “Non-Heat Pump Ready” or “Heat Pump Ready.” To receive the “Heat Pump Ready” \$/Dwelling rebate, single-family heat pump projects must meet minimum weatherization requirements.

Program Eligibility

Existing Building Single-family homeowners (market-rate, LMI, and DAC) who heat their home with oil, propane, natural gas, or electricity are eligible. Rebates for New Construction buildings have been discontinued.

Only projects located in a home or dwelling that have not previously received rebates for whole-house electrification from PSEG Long Island are eligible for rebates.



4.2.4.2. Notable Changes

2026

In the Spring of 2026, PSEG Long Island transitioned to flat-rate rebates based on a set dollar value per dwelling (\$/Dwelling). This is a change from the historical tiered rebate cap structure. The shift to the \$/Dwelling aligns with the rebate structure of the JUs and allows PSEG Long Island to better communicate a simplified structure to contractors and customers. Per project contractor incentives of \$500/Project were reduced to \$250/Project.

2027

For the 2027 program year, PSEG Long Island will continue the flat rate \$/Dwelling rebate structure.

New in 2027, to align with the JUs, PSEG Long Island will launch a “base” or a “Non-Heat Pump Ready” and a “Heat Pump Ready” rebate. The “Non-Heat Pump Ready” \$/Dwelling rebate will align with the 2026 Quarter 2 updated \$/Dwelling values, and the “Heat Pump Ready” \$/Dwelling will increase by \$2,000 for market-rate, geographic DAC and moderate-income customers, and by \$1,000 for low-income customers. Rebates for both “Heat Pump Ready” and “Non-Heat Pump Ready” will be available for Existing Building customers only.

“Heat Pump Ready” rebates will be available to customers who meet specific weatherization minimums and requirements either through participation in the “combination” space heating and building envelope offering, previous participation in the building envelope program, or as identified in a home energy assessment. “Heat Pump Ready” designation means the customer has taken the steps needed to properly and fully weatherize their home, to achieve a holistic, cost-effective, whole-home solution.

“Non-Heat Pump Ready” rebates will be available to customers who do not meet the specific weatherization minimums and requirements. Starting in 2028, “Non-Heat Pump Ready” rebates will be discontinued to align with the mandate outlined in the May 2025 Orders. In 2028, only “Heat Pump Ready” rebates will be available for customers.

The planned budget for the 2027 Residential Space Heating program has reduced due to the emphasis on whole-home weatherization before installing a heat pump guidance outlined in the 2025 Orders. Overall, the budget reduction aligns with the PSC mandate of allocating less than or equal to 50% of the budget for heat pumps. Starting in 2027, PSEG Long Island expects a short-term reduction in heat pump installations in response to the State’s forthcoming minimum weatherization requirements.

At the time of this Utility 2.0 Plan, PSEG Long Island does not have the exact statewide guidance on specific measure requirements and minimum efficiency requirements to determine “Heat Pump Ready” designation. PSEG Long Island does acknowledge that



weatherization minimums must be met for customers to receive a “Heat Pump Ready” rebate. Guidance is expected to be released between September and December 2026. Once guidance is received, minimum requirements will be evaluated for determining the 2027 program implementation and structure.

4.2.4.3. Open Items

The open items associated with the Residential Space Heating Program are listed in **Table 4-14** below.

Table 4-14. Open Items – Residential Space Heating Program

Category	Open Item	Mitigation
Heat Pump NYS Guidance	PSEG Long Island is monitoring forthcoming NYS guidance on space heating requirements and will consider potential implications for the program.	PSEG Long Island will remain flexible in planning for the “Heat Pump Ready” space heating tier in 2027. PSEG Long Island will continue to engage with the Joint Utilities, DPS, and NYSERDA. Upon receipt of statewide guidance on measure requirements and minimum efficiency requirements, PSEG Long Island will evaluate and align the 2027 offering as appropriate.

4.2.4.4. Measures and Incentives

Table 4-15 provides the rebate and incentive amounts as well as number of dwellings with heat pumps planned in 2027.



Table 4-15. Residential Space Heating Measures Rebates and Incentives

Target Market	Measure**	2027 Planned Dwellings	Project Incentives	Measure* Rebates
Market-Rate	Whole-House Heat Pump Ready ccASHP & A2WHP	251	\$250	\$6,000
	Whole-House <u>Non</u> -Heat Pump Ready ccASHP & A2WHP	2,253	\$250	\$4,000
	Whole-House Heat Pump Ready GSHP New Install	10	\$250	\$12,000
	Whole-House <u>Non</u> -Heat Pump Ready GSHP New Install	34	\$250	\$10,000
	Whole-House Heat Pump Ready GSHP Retrofit	22	\$200	6,000
Moderate-Income / DAC	Whole-House Heat Pump Ready ccASHP & A2WHP	52	\$250	\$7,000
	Whole-House <u>Non</u> -Heat Pump Ready ccASHP & A2WHP	452	\$250	\$5,000
	Whole-House Heat Pump Ready GSHP New Install	2	\$250	\$14,500
	Whole-House <u>Non</u> -Heat Pump Ready GSHP New Install	2	\$250	\$12,500
	Whole-House Heat Pump Ready GSHP Retrofit	2	\$200	\$7,500
Low-Income	Whole-House Heat Pump Ready ccASHP & A2WHP	351	\$250	\$8,500
	Whole-House <u>Non</u> -Heat Pump Ready ccASHP & A2WHP	651	\$250	\$7,500
	Whole-House Heat Pump Ready GSHP New Install	1	\$250	\$24,000
	Whole-House <u>Non</u> -Heat Pump Ready GSHP New Install	1	\$250	\$20,000
	Whole-House Heat Pump Ready GSHP Retrofit	1	\$200	\$12,000
All	Desuperheater – Geothermal ¹⁴⁵	25	-	\$250

***Measure Rebates* in the above table reflect per system rebates, based on 2027 planning assumptions*

***Measure includes "Heat Pump Ready" and "Non-Heat Pump Ready" designations*

¹⁴⁵ Ground Source Heat Pump desuperheaters reflect number of units and not number of dwellings.



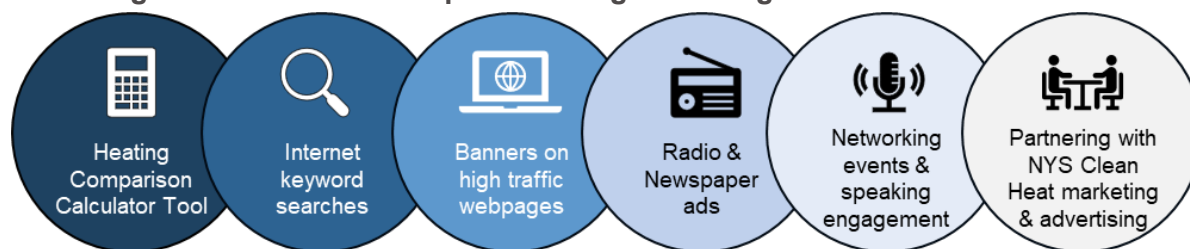
Note that the decommissioning bonus of \$250 is not included in the above. As per the historical trend, it is anticipated that 25% of market-rate customers and 30% of Low-Income customers will be decommissioned.

In the 2027 plan, the targeted number of dwellings receiving space heating incentives has decreased from 4,608 to 4,085. The decrease is associated with greater emphasis on whole-home weatherization before heat pump installation.

4.2.4.5. Marketing and Outreach

The Residential Space Heating Program engages with customers through PSEG Long Island-sponsored events (e.g., home shows and street fairs), direct mailings, the PSEG Long Island website, and outreach conducted by approved PSEG Long Island Partners. Additional avenues for marketing are shown in **Figure 4-4**.

Figure 4-4. Residential Space Heating Marketing and Outreach Channels



The Residential Space Heating Program maintains regular engagement with approved PSEG Long Island Partners through installation incentives, workforce development support, training and tool reimbursements, case study promotion, and a 50/50 marketing cost-share program. Partners receive ongoing program communications, access to weekly PSEG Long Island Open-House meetings, and direct staff support. Partners who also complete the annual enrollment, or re-enrollment process to become a trained and vetted Partner are eligible to receive per project completion incentives. As of 2027, 171 trained and vetted Partners are approved to participate in the program, many of whom also support the Residential Building Envelope Program.



4.2.5. Residential Water Heating

Type	Residential
2027 Program Budget	\$1.68 M
Description	The Residential Water Heating Program provides rebates and incentives for electric ENERGY STAR® Heat Pump Water Heaters.
Key Targets	• 975 Heat Pump Water Heaters • 11,372 MMBtus

4.2.5.1. Scope Description

The Residential Water Heating Program provides market-rate, moderate-income, low-income, and DAC rebates for ENERGY STAR® Electric Heat Pump Water Heaters.

Eligible Heat Pump Water Heaters must be either a) ≤55 Gallons or b) > 55 Gallons and on the ENERGY STAR® Qualified Product List at time of purchase. 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.

Program Eligibility

All single-family customers may apply for a water heating rebate once every five years. Please note, to receive Low-Income or Moderate-Income rebates, customers must apply through the Building Envelope (Home Performance) / Space Heating (Home Comfort) Application.

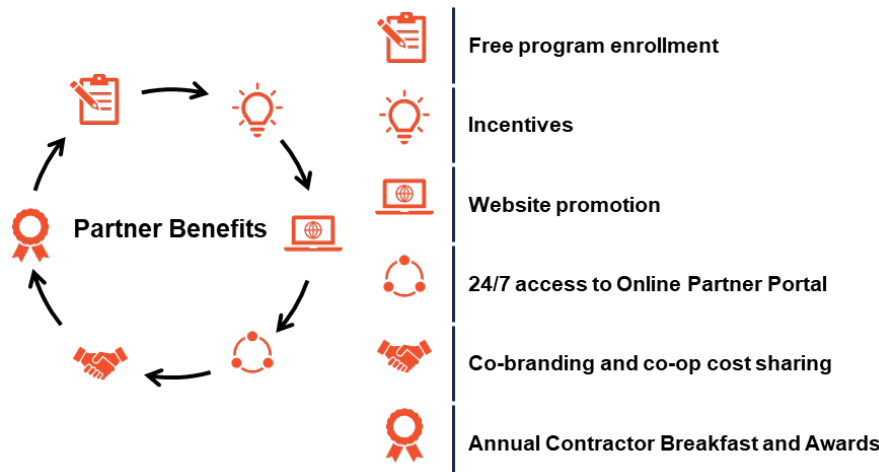
4.2.5.2. Notable Changes

2026

Heat Pump Water Heaters (HPWH) are offered through the Online Application and the Building Envelope (Home Performance) / Space Heating (Home Comfort) Application. The HPWH Installed page is available to engage with new and existing Partners. Those benefits are shown in **Figure 4-5**.



Figure 4-5. Residential Water Heating Partner Enrollment Benefits



2027

Heat Pump Water Heaters will continue to be offered in 2027 through the Online Applications and the Building Envelope (Home Performance) / Space Heating (Home Comfort) Application. The Low-Income rebate has decreased from \$1,700 to \$1,650 per unit. Market-rate rebates remain the same at \$1,200 per unit. Dedicated Geothermal Water Heating systems have been discontinued due to lack of participation.

4.2.5.3. Open Items

There are no open items for the Residential Water Heating Program.

4.2.5.4. Measures and Incentives

The Residential Water Heating Program provides customer rebates for ENERGY STAR® Heat Pump Water Heater solutions, as outlined in **Table 4-16** below. Contractor incentives are available for Heat Pump Water Heater installations.



Table 4-16. Residential Water Heating Measures and Incentives

Target Market	Measure	2027 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	\$100	\$1,200
	Heat Pump Water Heater > 55 Gallons (Online Application)	100	\$100	\$1,200
	Heat Pump Water Heater ≤ 55 Gallons (With Space Heating/Building Envelope)	150	\$100	\$1,650
Low-Income	Heat Pump Water Heater > 55 Gallons (With Space Heating/Building Envelope)	75	\$100	\$1,650

4.2.5.5. Marketing and Outreach

The Residential Water Heating Program engages with customers through PSEG Long Island-sponsored events (e.g., 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 Partner support and attends the weekly PSEG Long Island Open-House meetings to answer all program related questions. PSEG Long Island Partners who participate in the Residential Water Heating Program are eligible for a \$100 per project incentive.

Per 2026 Partner enrollment data, 106 Partners have been approved to participate in this program. It should be noted that among the 106 Partners, there are also Partners who participate in the Residential Building Envelope Program and Residential Space Heating Program.



4.2.6. Residential Efficient Products

Type	Residential
2027 Program Budget	\$1.16 M
Description	The Residential Efficient Products Program introduces customers to energy efficiency and beneficial electrification through a streamlined online marketplace that emphasizes smart thermostats and Do-It-Yourself (DIY) Weatherization measures.
Key Targets	15,000 Smart Thermostats to be rebated through Marketplace

4.2.6.1. Scope Description

The Residential Efficient Products Program aims to engage customers and introduce the concept of EE and beneficial electrification in an achievable and accessible manner. The program offers incentives for smart thermostats and provides a Marketplace with other non-incentivized measures.

Rebates are available for smart thermostats exclusively through the PSEG Long Island Marketplace and are applied as point-of-sale incentives.

Program Eligibility

All PSEG Long Island residential customers are eligible for smart thermostat incentives. PSEG Long Island DAC customers are eligible for enhanced incentives. Those who are income-qualified and DAC are also eligible for enhanced rebates through the Residential Electric Vehicle Smart Chargers Program. Participation limits are per equipment type.

4.2.6.2. Notable Changes

2026

The May 2025 Orders prohibit implementation of mid-stream programs. Therefore, starting in 2026, PSEG Long Island discontinued the Mid-stream program.

2027

PSEG Long Island will no longer offer separate rebates for Connected and Learning thermostats. To align with the NYS Technical Resource Manual (TRM) v13, a single rebate amount will be available for all smart thermostats that are purchased on the Marketplace and have the DLM capability.

In 2027, PSEG Long Island Online Application will not be available for smart thermostat rebates. Smart thermostat rebates will be exclusively available through the PSEG Long



Island Marketplace only. Shifting towards a Marketplace-only approach for smart thermostats is aimed at encouraging customers to enroll in the DLM Tariff Program at the time of purchase on the Marketplace. The Marketplace will be updated to include a “pre-enrollment in DLM Tariff Program” toggle that customers must opt in to receive the smart thermostat rebate.

In 2027, the rebate amount is reduced to \$50 per device via Residential Efficient Products. Customers will continue to be eligible for additional rebates for enrollment and participation in the events through the DLM Tariff Program.

4.2.6.3. Open Items

There are no open items for the Residential Efficient Products Program.

4.2.6.4. Measures and Incentives

The PSEG Long Island Marketplace also promotes beneficial electrification by incentivizing ENERGY STAR® Residential Smart Chargers, and energy efficiency 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 DIY Weatherization measures, Wi-Fi plugs, room air purifiers, dehumidifiers, air purifier filters, LED lighting and water conservation measures. Incentives for Residential Efficient Products Program measures are in **Table 4-17**.

Table 4-17. Residential Efficient Products Measures and Incentives

Target Market	Measure	2027 Planned Units*	Measure Incentives
Market-Rate	Smart Thermostats (Marketplace Only)	15,000	\$50

**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 3.4***

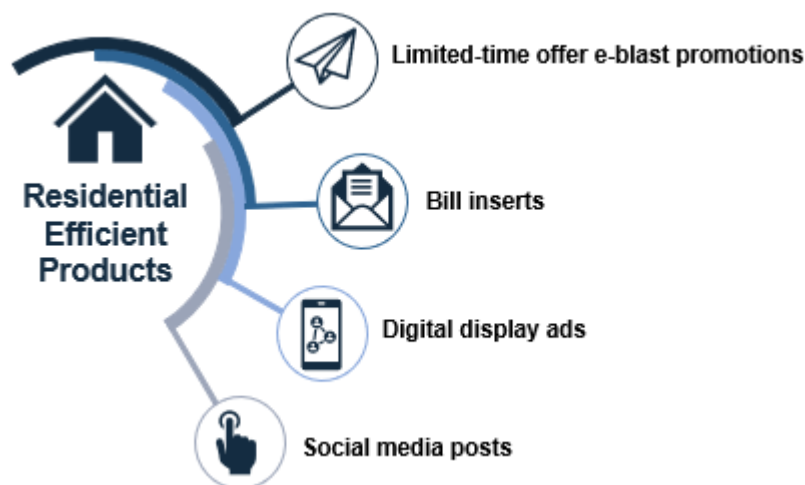
4.2.6.5. Marketing and Outreach

The Residential Efficient Products Program engages with customers through PSEG Long Island-sponsored events (e.g., home shows and street fairs), direct mailings, and the PSEG Long Island website.

Other avenues for marketing include the following detailed in **Figure 4-6**.



Figure 4-6. Residential Efficient Products Marketing and Outreach Avenues



The Marketplace Voucher (received at the end of the energy assessment) 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.

4.3. Commercial Building Efficiency & Electrification

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

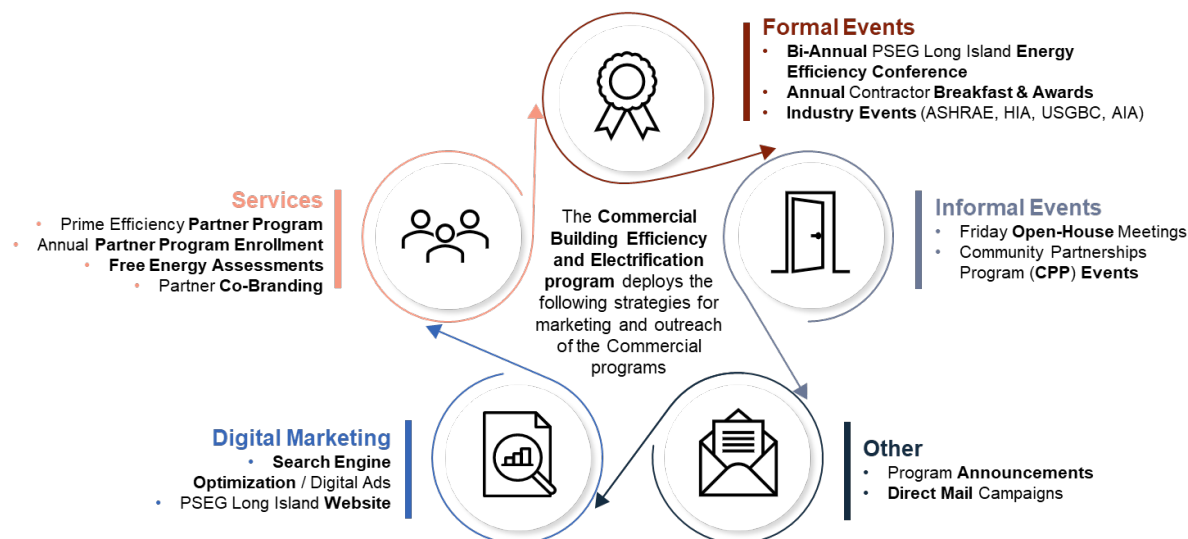
PSEG Long Island approved commercial BEE Partners aid in the success of the CEP. To facilitate the Partner experience, approved PSEG Long Island commercial Partners may receive access to the PSEG Long Island Partner Portal, support during Friday Open-House Meetings, access to training webinars, and opportunities for co-branding.

Marketing and Outreach for Commercial Programs

The Commercial BEE Program deploys the strategies for marketing and outreach outlined in **Figure 4-7** for all of its Commercial BEE programs.



Figure 4-7. Commercial BEE Program Marketing and Outreach Strategies



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.

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.



4.3.1. Commercial Energy Assessment

Type	Commercial
2027 Program Budget	Commercial Energy Assessments are performed as part of the Implementation Contract hence PSEG Long Island does not request budget for 2027.
Description	The Commercial Energy Assessment Program provides eligible small, medium, and large business customers with a free evaluation conducted by PSEG Long Island Energy Consultants to identify energy efficiency and beneficial electrification opportunities and connect customers to appropriate commercial rebate programs.
Key Targets	While there are no direct key targets, the energy assessments are intended to engage with customers to bring awareness of PSEG Long Island’s commercial program offerings.

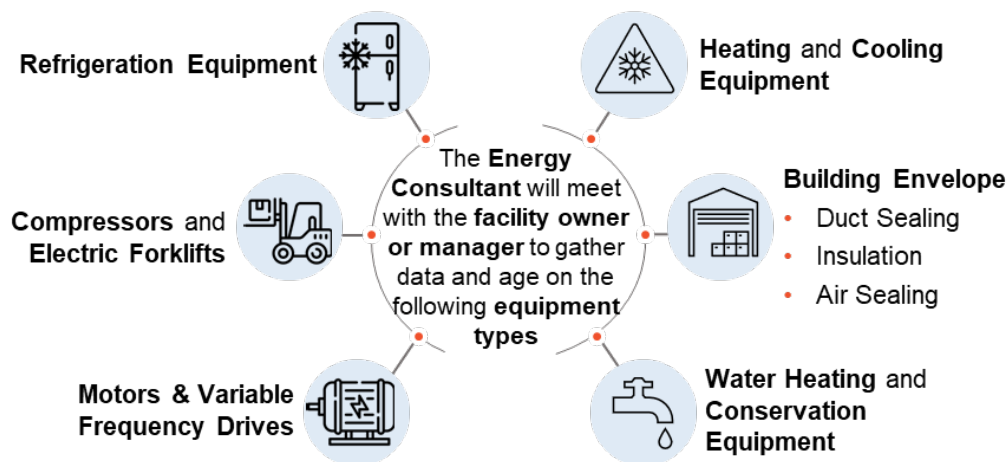
4.3.1.1. Scope Description

The Commercial Energy Assessment Program provides eligible small, medium, and large business customers with a free, comprehensive evaluation conducted by PSEG Long Island Energy Consultants. Customers apply through the Energy Assessment Online Application and, if eligible, are scheduled for an onsite or virtual assessment. An Energy Consultant will conduct the assessment and identify energy efficiency and beneficial electrification opportunities and recommend appropriate PSEG Long Island programs and rebate offerings.

A PSEG Long Island Energy Consultant will analyze and document their findings in a PSEG Long Island Energy Consultant Field Report. The results are shared with the customer via email, along with information on how to find approved PSEG Long Island commercial Partners. See **Figure 4-8** for more information on the Energy Consultant responsibilities and the associated equipment types.



Figure 4-8. Commercial Energy Consultant Responsibilities and Associated Equipment



While participation in an energy assessment is not required, it is strongly recommended as the first step to inform project decisions, facilitate contractor engagement, and support follow-through on program participation.

Program Eligibility

All PSEG Long Island commercial customers may participate in the Commercial Energy Assessment Program.

4.3.1.2. Notable Changes

2026

In 2026, the Commercial Energy Assessment Program emphasized the non-lighting measures available in the PSEG Long Island portfolio, including, but not limited to, whole-building heat pumps, custom controls solutions, and water heating solutions. Energy consultants educated customers on the benefits of converting inefficient lighting to LED lighting, encouraged the importance of holistic building solutions, and promoted current rebate opportunities.

2027

The 2027 Commercial Energy Assessment Program will look similar to 2026. PSEG Long Island will emphasize the benefits associated with commercial building envelope upgrades, and pair that with commercial building data available from the MyHEAT platform.

The team of Energy Consultants will continue to partner with the Business First Advocates and Large Customer Support team to share leads and referrals in the TRC Captures database.



4.3.1.3. Open Items

There are no open items associated with the Commercial Energy Assessment Program.

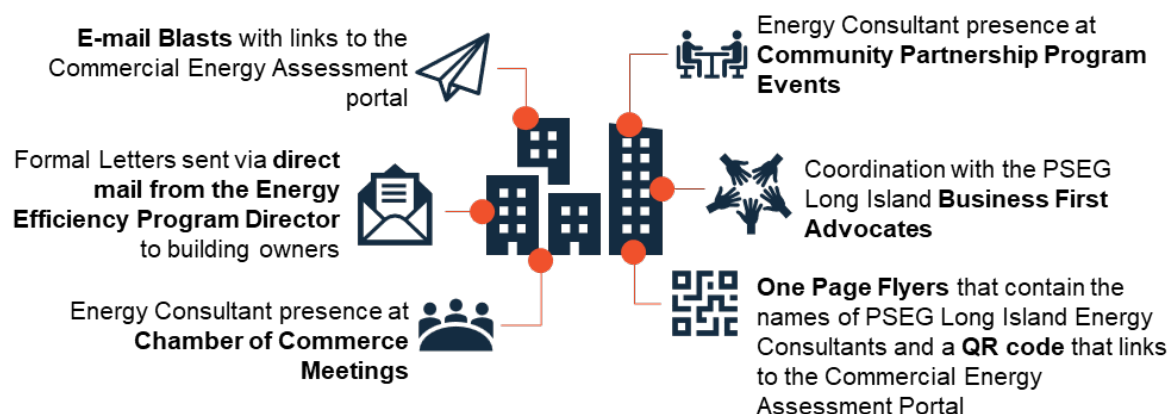
4.3.1.4. Measures and Incentives

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.

4.3.1.5. Marketing and Outreach

The Commercial Energy Assessment Program is marketed in the following ways shown in Figure 4-9.

Figure 4-9. Commercial Energy Assessment Market and Outreach Efforts



4.3.2. Commercial Building Envelope

Type	Commercial
2027 Program Budget	\$0.19 M
Description	The Commercial Building Envelope Program provides rebates to existing building commercial customers to improve building comfort and reduce energy use through air sealing, insulation, and other envelope upgrades, with prescriptive offerings for businesses 10,000 square feet or less and Custom pathways available for larger buildings.
Key Targets	1,159 MMBtus

4.3.2.1. Scope Description

Weatherization can help businesses reduce energy use and save money on utility bills while optimizing the building comfort. The Commercial Building Envelope Program provides rebates for existing building customers to upgrade their existing building envelope.



The Prescriptive Commercial Building Envelope Program is geared towards smaller businesses and applies to existing buildings. 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.

The Custom Commercial Building Envelope Program is available to existing buildings that are either >10,000 square feet or which install measures not listed on the prescriptive program. The Custom Program calculates the savings by comparing a building's heating and cooling loads pre- and post-measure installation via a Manual N calculation.

Program Eligibility

The program is marketed to existing building oil, propane, and electric heating customers.

For the Prescriptive Pathway, buildings must be 10,000 square feet or less and install a minimum of air sealing and insulation. Eligible customers qualify for duct sealing, air sealing, insulation, air curtains, and pipe insulation rebates. Rebates are available for market-rate and DAC customers.

For the Custom Pathway, the building must be over 10,000 square feet.

4.3.2.2. Notable Changes

2026

There were no notable changes to the Commercial Building Envelope Program in 2026. It should be noted that the program received its first project in Q2 2026.

2027

In 2027, the implementation team will continue to grow the program by educating contractors and customers on the benefits of weatherization. The program will also coordinate with National Grid's program to ensure projects are being referred to correctly.

4.3.2.3. Open Items

The open items associated with the Commercial Building Envelope Program are in **Table 4-18** below.

Table 4-18. Open Items – Commercial Building Envelope

Category	Open Item	Mitigation
Commercial Building Envelope	National Grid may have a similar program in the market in 2027.	Coordinate with National Grid on projects, ensure savings are being calculated appropriately between programs.



4.3.2.4. Measures and Incentives

Figure 4-10 and **Table 4-19** show the Commercial Building Envelope Program measures and incentives available.

Figure 4-10. Commercial Building Envelope Measures and Incentives Description

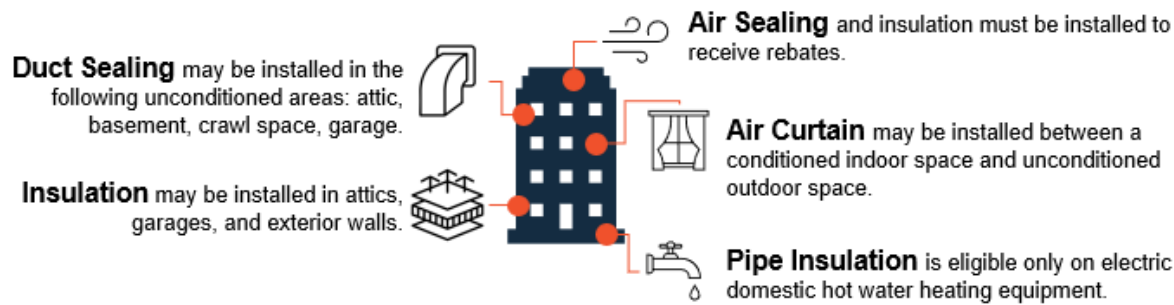


Table 4-19. Commercial Building Envelope Measures and Incentives

Measure	Total Project Rebates
Air Sealing, Insulation (Attic, Walls), Air Curtain, Duct Sealing, Pipe Insulation	\$77,000

4.3.3. Commercial Space Heating

Type	Commercial
2027 Program Budget	\$3.45 M
Description	The Commercial Space Heating Program incentivizes all commercial customers to install whole-building heat pumps or replace inefficient fossil-fuel heating and cooling systems with high-efficiency electric heat pump technologies through a custom screening approach.
Key Targets	20,710 MMBtus

4.3.3.1. Scope Description

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.

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 total heating tonnage for the newly installed whole-building heat pump solution. Heat pump technologies include



NEEP listed-ccASHP, Variable Refrigerant Flow (VRF) Heat Pumps, Packaged Terminal Heat Pump (PTHP), and GSHP. Because whole building space heating projects go through the Custom approach, savings are calculated using the New York Statewide Clean Heat Calculator Tool. Rebates are available for New Construction and Existing Building customers who either decommission their fossil fuel space heating systems or install integrated controls. Rebates are enhanced for existing building customers.

2. **Phased Whole Building Space Heating customers participate through the Custom Program.** Customers may submit a request to submit phases for heat pump projects if the result is a whole building solution.

Program Eligibility

The program is marketed to existing building customers who utilize oil, propane, or electric heating in their buildings, and new construction commercial customers. Rebates are available for market-rate and DAC customers.

4.3.3.2. Notable Changes

2026

All Commercial Heat Pumps moved to the Custom analysis approach. This approach ensures that all commercial space heating projects align with the May 2025 EE/BE order.

The rebate structure for all heat pumps shifted from a \$/MMBtu to \$/heating ton, based on the total heating tons installed. The shift in rebate structure allows small businesses to benefit from the installation of a heat pump.

2027

In 2027, the Commercial Space Heating Program is expected to remain the same as the market continues to shift towards heat pump solutions. The program will analyze new measures such as water source heat pumps or heat pump chillers and analyze these projects on a \$/MMBtu basis.

4.3.3.3. Open Items

The open items associated with the Commercial Spacing Heating Program are in **Table 4-20** below.



Table 4-20. Open Items – Commercial Space Heating

Category	Open Items	Mitigation
Commercial Space Heating Pipeline	The Commercial Space Heating program has gained the attention of large commercial customers who are looking to decommission their buildings/campuses. Resultantly, larger projects in the pipeline equate to larger budget allocations. These projects tend to experience delays, while still holding the budget allocation.	Manage the pipeline and closely monitor the expected close dates of these projects to ensure that the annual budget is maintained.

4.3.3.4. Measures and Incentives

Custom Heat Pumps are rebated on a \$/heating ton basis and include NEEP Listed ccASHP, GSHP, PTHP, and VRF Systems as seen in **Table 4-21**. Heat pump technologies not listed above may be rebated on a \$/MMBtu basis.

Table 4-21. Commercial Space Heating Measures and Incentives

Measure	Total Measure Rebates
Commercial Heat Pumps	\$3,106,500

4.3.4. Commercial Water Heating

Type	Commercial
2027 Program Budget	Commercial Water Heating budget is included in the Commercial Efficient Products budget.
Description	The Commercial Water Heating Program provides rebates for the installation of energy-efficient water heating equipment.
Key Targets	Engage more small businesses to convert their existing fossil fuel water heaters into efficient electric water heating equipment.

4.3.4.1. Scope Description

The Commercial Water Heating program provides rebates for the installation of electric efficient water heating equipment. Water heating rebates are available through a prescriptive \$/Unit approach or a Custom \$/MMBtu approach.

The prescriptive approach is geared towards small business customers that require one heat pump water heater to achieve their water heating needs. Customers who require more than one heat pump water heater or propose a unique water heating solution, such as a Water-to-



Water Heat Pump, would be routed through the Custom Program for deeper analysis of the measure’s impact and efficacy.

Program Eligibility

The Commercial Water Heating Program is available to existing buildings and new construction PSEG Long Island commercial customers.

4.3.4.2. Notable Changes

2026

The non-strategic water conservation measures were discontinued from the Commercial Water Heating Program in 2026.

2027

In 2027, the program will continue to offer rebates for Prescriptive and Custom water heating solutions.

4.3.4.3. Open Items

There are no open items associated with the Commercial Water Heating Program.

4.3.4.4. Measures and Incentives

Small business customers may install one heat pump water heater for their building. If the customer is a large business and requires more than one heat pump water heater, that customer will be directed to the Custom Program. See **Figure 4-11** for qualifying equipment types.

Figure 4-11. Commercial Water Heating Equipment Types for Eligible Customers
Eligible customers may qualify for the following equipment types:



Table 4-22. Commercial Water Heating Measures and Incentives

Measure	Total Measure Rebates
Water Heating Measures	Included in Commercial Efficient Products in Section 4.3.6.



4.3.5. Custom Projects

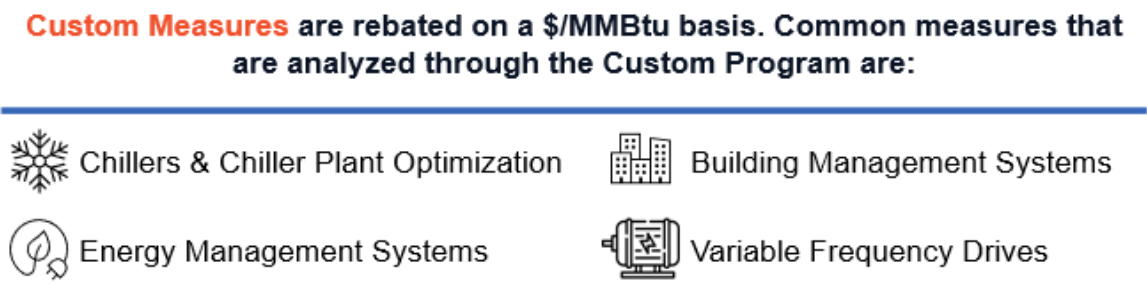
Type	Commercial
2027 Program Budget	\$4.53 M
Description	The PSEG Long Island Custom program provides rebates for customers who wish to achieve savings for more complex projects. Strategic measures that are not offered through the other PSEG Long Island commercial programs can be analyzed and rebated through the Custom program.
Key Targets	53,288 MMBtus

4.3.5.1. Scope Description

The PSEG Long Island Custom Program provides rebates to customers who propose strategic measures not accounted for in other PSEG Long Island commercial programs, as seen in **Figure 4-12**. Custom measures are screened and analyzed through a standardized approach to determine feasibility for a rebate in the Custom Program.

The dedicated PSEG Long Island Custom team of engineers works directly with customers to develop and analyze comprehensive projects that will meet the unique needs of each customer facility. The Custom team provides site inspections, cost-effectiveness 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 NYS and, if necessary, other states, along with published white papers, the Custom Program team will review, calculate, and scrutinize measures in every application for accuracy and reasonableness.

Figure 4-12. Custom Projects Common Measures



Program Eligibility

The Commercial Custom Program is available to existing buildings and new construction PSEG Long Island commercial customers.



4.3.5.2. Notable Changes

2026

In 2026, to support industry best practices, PSEG Long Island analyzed all Custom measures using the latest New York State Building Codes in effect and screened to determine if the measure is considered Strategic based on the NYS definition. Some common measures have been removed from the program, such as large HVAC systems, horticultural lighting, and plug load controllers. In the spring of 2026, VFDs were reclassified as a “Strategic” measure. PSEG Long Island has re-introduced the VFDs into the portfolio under the Custom umbrella at \$80/MMBtu.

The per project rebate cap was reduced from \$1,000,000 to \$500,000 to adequately balance the Custom Program pipeline with budgetary needs.

2027

In 2027, the Custom Program will remain similar to the 2026 program. As new measures are proposed for Custom evaluation, PSEG Long Island will analyze and screen those measures for inclusion through the Custom Program path. The 2027 budget has increased due to the analysis of the open and paid pipeline.

4.3.5.3. Open Items

There are no open items for the Custom Commercial Projects.

4.3.5.4. Measures and Incentives

Savings are derived for Custom measures using approved methodologies and algorithms that ensure savings are calculated appropriately. Custom rebates are available on a \$/MMBtu basis for energy efficient and beneficial electrification measures as seen in **Table 4-23**.

Table 4-23. Custom Projects Measures and Incentives

Measure	Total Measure Rebates
Chillers, Chiller Plant Optimization, Refrigeration Controls, BMS & EMS Systems, Variable Frequency Drives, etc.	\$4,263,000



4.3.6. Commercial Efficient Products

Type	Commercial
2027 Program Budget	\$1.01 M ¹⁴⁶
Description	The Commercial Efficient Products Program provides rebates to all PSEG Long Island commercial customers for strategic Energy Efficiency and Beneficial Electrification, prescriptive style measures.
Key Targets	12,145 MMBtus

4.3.6.1. Scope Description

The Commercial Efficient Products Program provides rebates for energy efficiency and beneficial electrification equipment to all PSEG Long Island commercial customers. The objective is to encourage customers to electrify frequently used equipment to enhance processes. Rebates are available 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.

Program Eligibility

All PSEG Long Island commercial existing buildings and new construction customers are eligible to receive rebates for the commercial efficient products offered.

4.3.6.2. Notable Changes

2026

The non-strategic commercial efficient products measures were discontinued in 2026 to align with the May 2025 Orders.

2027

In 2027, the Commercial Efficient Products Program will remain similar to the 2026 program. New measures that become available in the New York State TRM will be screened for potential inclusion in the program.

The 2027 budget reduction is mainly related to the removal of all non-strategic measures. The May 2025 Order's "Strategic" framework prohibits rebate offerings for all non-strategic

¹⁴⁶ The budget for the Commercial Efficient Products includes budget for the Commercial Water Heating Program.



measures, such as lighting measures, which accounted for a significant portion of the program budget.

4.3.6.3. Open Items

There are no open items associated with the Commercial Efficient Products Program.

4.3.6.4. Measures and Incentives

Eligible customers may qualify for the following types of rebates shown in **Table 4-24**. Rebates are available on a per unit basis. Please note, pending equipment types and codes and standards, some measures may not be available for New Construction buildings.

Table 4-24. Commercial Efficient Products Measures and Incentives

Measure	Measure Rebates
Ventilation, Compressed Air, Refrigeration	\$750,000

4.3.7. EE Services – Technical Assistance

Type	Commercial
2027 Program Budget	\$0.56 M
Description	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.
Key Targets	Not applicable

4.3.7.1. Scope Description

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. 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 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

Program Eligibility

EE Services are available to all PSEG Long Island commercial customers. 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.

4.3.7.2. Notable Changes

2026

There were no major changes to the 2026 Technical Assistance Program.

2027

There are no major changes to the 2027 Technical Assistance Program offering. Please note, the budget for the 2027 program has increased from 2026 values due to the volume of Technical Assistance projects received as of Q2 2026. Technical Assistance projects are an important component as the programs move towards strategic measures and whole building solutions. More customers are participating in Technical Assistance Program to understand deeper energy savings opportunities for their buildings since the non-strategic measures that were low-cost, high-yield measures such as lighting have been removed from the portfolio starting in 2026.

4.3.7.3. Open Items

There are no open items associated with the Technical Assistance Program.

4.3.7.4. Measures and Incentives

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.

Upon submitting the Whole Building energy model and 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 as 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. Total measure rebates associated with the Technical Assistance Program is in **Table 4-25**.

Table 4-25. Commercial Technical Assistance Measures and Incentives

Measure	Total Measure Rebates
Technical Assistance Program	\$524,015

4.3.8. EE Services – Energy Consultants

Type	Commercial
2027 Program Budget	Not Applicable
Description	The EE Services provided by Energy Consultants is a turnkey customer service that starts with initial engagement either through the Commercial Energy Assessment Program or information request and results in the Energy Consultant aiding the customer through the program journey.
Key Targets	Not Applicable

4.3.8.1. Scope Description

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.

Program Eligibility

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

4.3.8.2. Notable Changes

2026

In 2026, Energy Consultants provided one-on-one customer support to all customers interested in the programs or actual program participants.

2027

In 2027, the role of the Energy Consultant will remain consistent with 2026. As new technologies for promotion are included in the programs, Energy Consultants will be trained in these new technologies to better engage their customers.

4.3.8.3. Open Items

There are no open items associated with Energy Consultants.

4.3.8.4. Measures and Incentives

There are no measures or incentives associated with this section.



4.4. Multi-Family Building Efficiency & Electrification

The Multi-Family Program promotes Air Source Heat Pumps, Geothermal Heat Pumps, and 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 \$/heating ton 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 2027, similar to 2026, the Multi-Family Program will continue to engage the market through a robust Multi-Family Space Heating Program.

4.4.1. Multi-Family

Type	Multi-Family
2027 Program Budget	\$5.22 M
Description	The Multi-Family Program provides building owners rebates to offset installation costs for measures such as common area and in-unit heat pumps.
Key Targets	1,458 in-unit dwellings with Heat Pumps

4.4.1.1. Scope Description

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. Additional benefits to commercial building owners include lower heating and cooling bills and O&M costs, individualized billing for renters, replacement of old equipment, and more sustainable messaging to future occupants.

Program Eligibility

PSEG Long Island New Construction and Existing Building Multi-Family Building owners and developers.

4.4.1.2. Notable Changes

2026

In 2026, rebate opportunities continue to be available for existing building and new construction customers. As a result of the “pause” in the All-Electric Buildings law, new construction projects are permitted with a valid and approved building permit. PSEG Long Island evaluated other heat pump technologies such as Packaged Terminal Heat Pumps



and Window Saddle Heat Pump units. Based on PSEG Long Island's screening process, both technologies were found to be feasible in the "in-unit" multi-family setting.

2027

Until further statewide guidance is provided on the "All-Electric Buildings Law," rebates will continue to be available for New Construction, along with existing buildings. In all instances of New Construction, a valid and approved building permit must be submitted to be eligible. The Multifamily program will continue to accept projects that contain heat pump equipment such as ccASHPs, PTHPs, and Window Saddle Heat Pumps. There is a pathway built into the Multifamily program for all eligible heat pump technologies. PTHPs and Window Saddle Heat Pumps are emerging technologies and require additional review and analysis for inclusion and appropriateness in the program.

For non-space heating related measures, those multi-family measures will be handled via Custom.

4.4.1.3. Open Items

There are no open items associated with the Multi-Family Program.

4.4.1.4. Measures and Incentives

The Multi-Family Program serves commercial owners of multi-family housing (e.g., developers and landlords) by providing rebates as shown in **Figure 4-13** for the various equipment types.

Figure 4-13. Multi-Family Rebate Offerings

The **Multi-Family Program** serves Commercial Owners (developers/landlords) by providing rebates for the following equipment types:

Common Area Space Heating	In-Unit Space Heating
 Cold Climate Air Source Heat Pumps	 Cold Climate Air Source Heat Pumps
 Geothermal Ground Source Heat Pumps	 Geothermal Ground Source Heat Pumps
 Variable Refrigerant Flow Systems	 Packaged Terminal Heat Pumps
	 Window Saddle Heat Pumps
	 Heat Pump Water Heater



Common area heat pumps are rebated on a \$/heating ton basis. In-unit heat pumps are rebated on a \$/Dwelling basis. In-Unit Water Heaters are rebated on a \$/Unit basis. All in-unit and common area heat pump rebates and savings are calculated using New York Statewide Clean Heat Calculator Tool. Rebates are available for market-rate and DAC customers.

In the 2027 plan, the targeted number of dwellings receiving space heating incentives has increased from 1,200 to 1,458. The increase is resulting from a review of the open pipeline and the assumption of additional existing building projects entering the pipeline. PSEG Long Island plans to target 1,000 new construction dwellings and 458 existing building dwellings.

A list of measures that are offered in the Multi-Family Program is included in **Table 4-26**.

Table 4-26. Commercial Owners (Multi-Family Program): List of Measures

Measure	Measure Rebates
In-Unit Heat Pumps	\$3,025,350
Common Area Heat Pumps	\$225,500
In-Unit Water Heating	\$180,000

4.4.1.5. 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. Dedicated Energy Consultants serve this market segment to build relationships with existing and new contacts.

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).

5. Digital Enablement (IEDR Platform)

*2026 Utility 2.0 Annual Plan Filing
and Building Efficiency &
Electrification Plan*



5. Digital Enablement

The Integrated Energy Data Resource (IEDR) Program is a PSC initiative that is intended to create a centralized, statewide platform for accessing and analyzing energy-related data. The program's scope encompasses the coordination, standardization, and secure sharing of data from New York's electric, gas, and steam utilities, as well as other public and private data sources, to support energy system planning, clean energy market development, and regulatory oversight. The IEDR is designed to improve transparency and consistency in energy data, enabling stakeholders to better inform investment decisions, identify system constraints and inefficiencies, and monitor the effectiveness of state energy policy.

Chapter Contents

Project	2026 Status	2027 Status	Page #
Integrated Energy Data Resource (IEDR) Platform	Active	Active	132

5.1. Integrated Energy Data Resource (IEDR) Platform

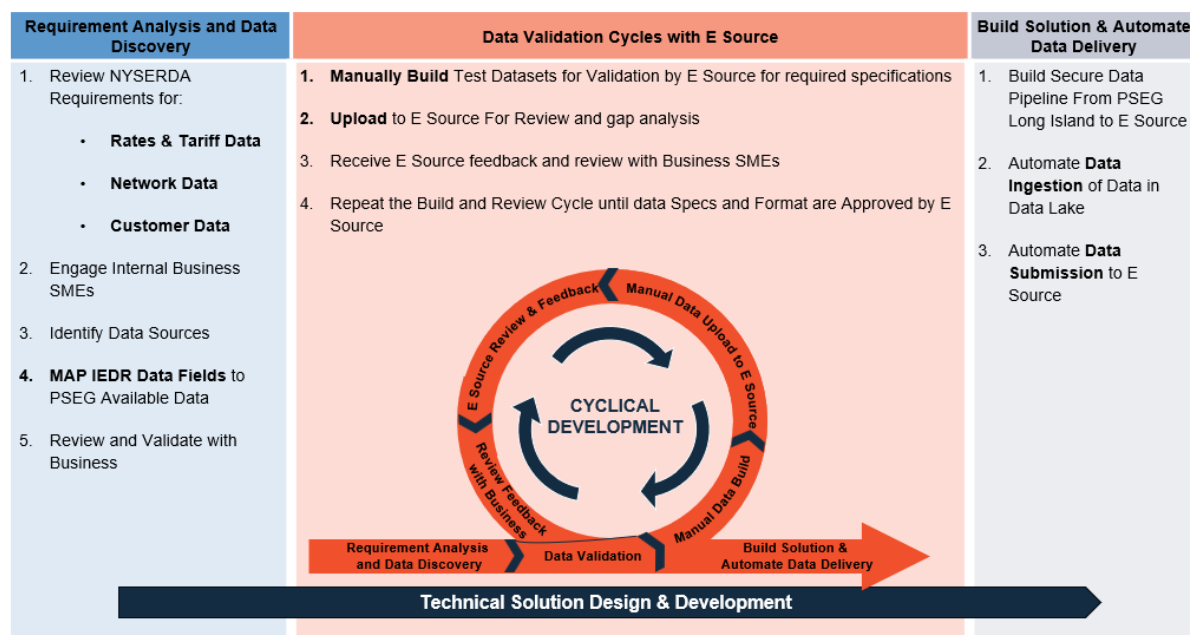
2026 Status	Active
2027 Status	Active
Start Year	2023
End Year	2028
Description and Justification	The PSC issued an Order in 2021 for the implementation of an IEDR platform that would securely collect, integrate, and provide broad and appropriate access to large and diverse energy-related information 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, PSEG Long Island, and the JUs.
Key Targets	N/A

5.1.1. Scope Description

PSEG Long Island continues to utilize the project framework in **Figure 5-1** – first shared in the 2025 Utility 2.0 Plan – to meet the new DPS / NYSERDA IEDR program requirements outlined in the new specifications from E Source, NYSERDA's implementation contractor.



Figure 5-1. PSEG Long Island IEDR Platform Execution Framework



PSEG Long Island is working through the following activities in 2026 according to the project processes for data specification versions Network V006, Customer V005, and Rates V004:

- **Requirements validation and business alignment**, including internal approvals and confirming data ownership.
- **Source system identification and data mapping**, ensuring alignment with the IEDR data model.
- **Cybersecurity and data governance reviews**, with internal reviews and approvals for Personally Identifiable Information (PII) handling, access controls, and compliance requirements.
- **Iterative test data submissions**, as the new data elements are identified and mapped, test datasets are created and submitted to E Source for their review and validation.
- **Data Pipeline development and iterative refinement**, during the iterative process, the changes to the pipeline are identified and scheduled for automation.
- **On-going automation efforts**, to reduce manual interventions and drive end-to-end efficiency.

The PSEG Long Island IEDR Platform execution framework is an iterative process that includes several test and production “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 requirements.

5.1.2. Notable Changes

2025 Update

In 2025, PSEG Long Island designed and implemented a solution to automate submission of Phase 1 Network V005 data sets to E Source, which include the following:

- Planned DERs (monthly)
- Installed DERs (monthly)
- PV Hosting Capacity Map (quarterly)
- ESS charging capacity map (quarterly)
- ESS discharging capacity map (quarterly)
- EV Loading Capacity Map (annual)

These data sets have been delivered to E Source on an on-going basis since August 2025. Thus, PSEG Long Island has aligned with other utilities in meeting Phase 1 IEDR requirements for Network production data sets. While the Network data pipelines and automated process for data delivery has been developed, there is additional work to be done to fully integrate this data with the back-end systems.

PSEG Long Island also sent several test iterations of the Rates V003 data set to E Source in late 2025. The Production V003 Rate Plan dataset was delivered to E Source in January 2026 using an automated process for delivering datasets. While a Rates data pipeline has been developed and the process for data delivery has been automated, there is additional work to be done to fully integrate with the back-end systems.

During Q3 – Q4 2025, DPS communicated a major shift in the overall approach and strategy for the IEDR program going forward. The DPS informed all utilities that analysis of data collected thus far was not feasible due to the absence of data standardization guidelines, which should have been included in the original specifications for Rates, Network, and Customer data. As a result, the DPS will require all utilities to align and agree on new data specifications that have a common data model and a common data dictionary going forward. Therefore, the priority for the IEDR program in 2026 onwards will be to focus on data ingestion and realigning utilities to define common data specifications for all the required data. The utilities are expected to align on these data specifications during the Utility



Coordination Group (UCG) Subcommittee meetings for each specification, in addition to the regular monthly program meetings.

In line with the other utilities, PSEG Long Island participated in the 11 virtual UCG meetings. These meetings were also supplemented with the new UCG Subcommittee meetings for Rate Plan, Customer, and Network data, which have continued throughout 2026.

2026

The updated DPS approach to Phase 2 significantly expands the implementation responsibilities for utility participants. This includes more frequent updates, refinement of existing data sets, and an expanded set of required data fields for the Rates, Network and Customer data domains. Utilities will need to implement changes that may require reformatting and resubmitting data, as well as redeveloping data pipelines to replace previously delivered solutions. In addition, the newly requested data elements will require incremental effort across data discovery, requirements definition, internal security reviews, and solution development.

In 2026, efforts will primarily focus on implementing solutions to meet the revised Customer data specifications, V005. Concurrently, the project team will initiate work to address the updated Network data requirements, V006. To meet these requirements, PSEG Long Island must perform detailed analysis for security and risk assessment of the newly requested data fields, rebuild existing data pipelines, and develop new pipelines to align with Network V006 business standards that establishes a common data model across all utilities. Given the scope and complexity of these changes, implementation of the new Network data specifications is expected to extend into 2027, as shown in **Section 5.1.5**.

2027

The new Rates V004 specification also includes expanded data requirements in comparison to previous V003 specifications. The previous version required infrequent updates that could be processed via manual data collection. The new specification requires additional data fields not previously requested to support monthly updates. PSEG Long Island is currently reviewing the requirements to inform the level of effort required to automate the creation of this data set in accordance with the Rates V004 specifications. At the time of this Utility 2.0 Plan, the PSEG Long Island team expects that implementation of an automated solution will occur in 2027 due to the complexity of the requirements in Rates V004.

The NYSERDA / E Source program team has communicated that all utilities should also expect to see the release of new DER specific data specifications. Significant impacts are anticipated for PSEG Long Island, as the internal business team is currently engaged in replacing the existing Self-Generation Incentive Program (SGIP) system, which serves as the data source for DER information. The new DER specifications will necessitate



collaboration with business users to identify additional business requirements, conduct source-to-target mapping, develop new data integrations and pipelines, and, as a result, timelines and budgets have been updated accordingly.

While Phase 3 of the program has not been announced, PSEG Long Island is projecting that the IEDR program will continue into Phase 3 in 2027 and 2028, resulting in an expanded timeline and budget. Because there is no information available at this time, high-level estimates are presented in **Section 5.1.6** based on the understanding of possible future scope. These estimates will be adjusted and refined as more information becomes available.

5.1.3. Open Items

Table 5-1 outlines the potential open risks and proposed mitigation steps for key aspects of the IEDR Platform.

Table 5-1. Open Items – IEDR Platform

Category	Description	Mitigation
Data Security	Comprehensive Customer and Network data on a third-party platform presents a business risk. The data sets contain information that PSEG Long Island considers sensitive.	PSEG Long Island is following its internal cybersecurity evaluation processes and evaluating the data security level of each required data field. PSEG Long Island and LIPA Legal teams will provide input when necessary.
Data Purpose	PSEG Long Island is expected to provide data to the platform without clear use cases and detailed information on how it will be used. The lack of clarity risks misuse or misinterpretation of data.	Confirm data purpose and use case goals prior to submission to E Source.
Data Access	E Source has shared that the IEDR program will be supporting a “query tool” and that the first iteration will only show aggregated and anonymized data. Beyond this, PSEG Long Island does not have insight into how sensitive and PII data could be accessed by different user groups in the future. Providing this data without clear governance in place presents a business risk.	PSEG Long Island is following its internal cybersecurity evaluation processes and evaluating the data security level of each required data field. PSEG Long Island and LIPA Legal teams will provide input when necessary.



Category	Description	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>i.e.</i> , the DPS, LIPA, and NYSERDA) when storm duty will impact the submittal of deliverables.
Resource Availability	Business Subject Matter Experts (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.

5.1.4. Performance Reporting

Performance reporting does not apply for the IEDR Platform, as PSEG Long Island was directed to participate by LIPA to meet DPS requirements and the goals of the PSC Order 20-M-0082.¹⁴⁷

5.1.5. Schedule Implementation

Table 5-2 illustrates the timeline of key activities and milestones for the IEDR Platform.

¹⁴⁷ PSC Order 20-M-0082. (See **Appendix E** for URL addresses).



Table 5-2. Implementation Schedule – IEDR Platform

Workstream	2026				2027			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Customer V005+								
Data Discovery, Requirements Analysis and Data Mapping								
Test Iterations with E Source								
Develop Data Pipelines								
Production Submissions								
Network V006+								
Data Discovery, Requirements Analysis and Data Mapping								
Test Iteration with E Source								
Develop Data Pipelines								
Production Submissions								
Rates and Tariffs V004+								
Data Discovery, Requirements Analysis and Data Mapping								
Test Iteration with E Source								
Develop Data Pipelines								
Production Submissions								



5.1.6. Budget Reconciliation and Request

The updated annual budget for the IEDR Platform is shown in **Table 5-3**.

Table 5-3. Capital and Operating Expense Budget, Actual and Forecast (\$M)^{148,149}

Category	Actual (\$M)	Updated Forecast (\$M)	Request (\$M)	Projected (Not Requested) (\$M)	Total (\$M)
	2025	2026	2027	2028	
Capital	2.17	2.70	2.01	1.70	8.59
O&M	—	0.30	0.35	0.40	1.05
Total	2.17	3.00	2.36	2.10	9.64

Justification and Cost Drivers

As described above, DPS's revised approach to Phase 2 significantly expanded the utilities' implementation responsibilities. Therefore, PSEG Long Island projects a moderate increase of \$0.60 million in capital funding to fully comply with the updated Phase 2 data specification requirements beyond the \$7.10 million previously approved for the overall program. PSEG Long Island's development timeline for building the necessary solutions and data pipelines to support these new specifications spans into 2027 for Phase 2 and into 2028 for Phase 3.

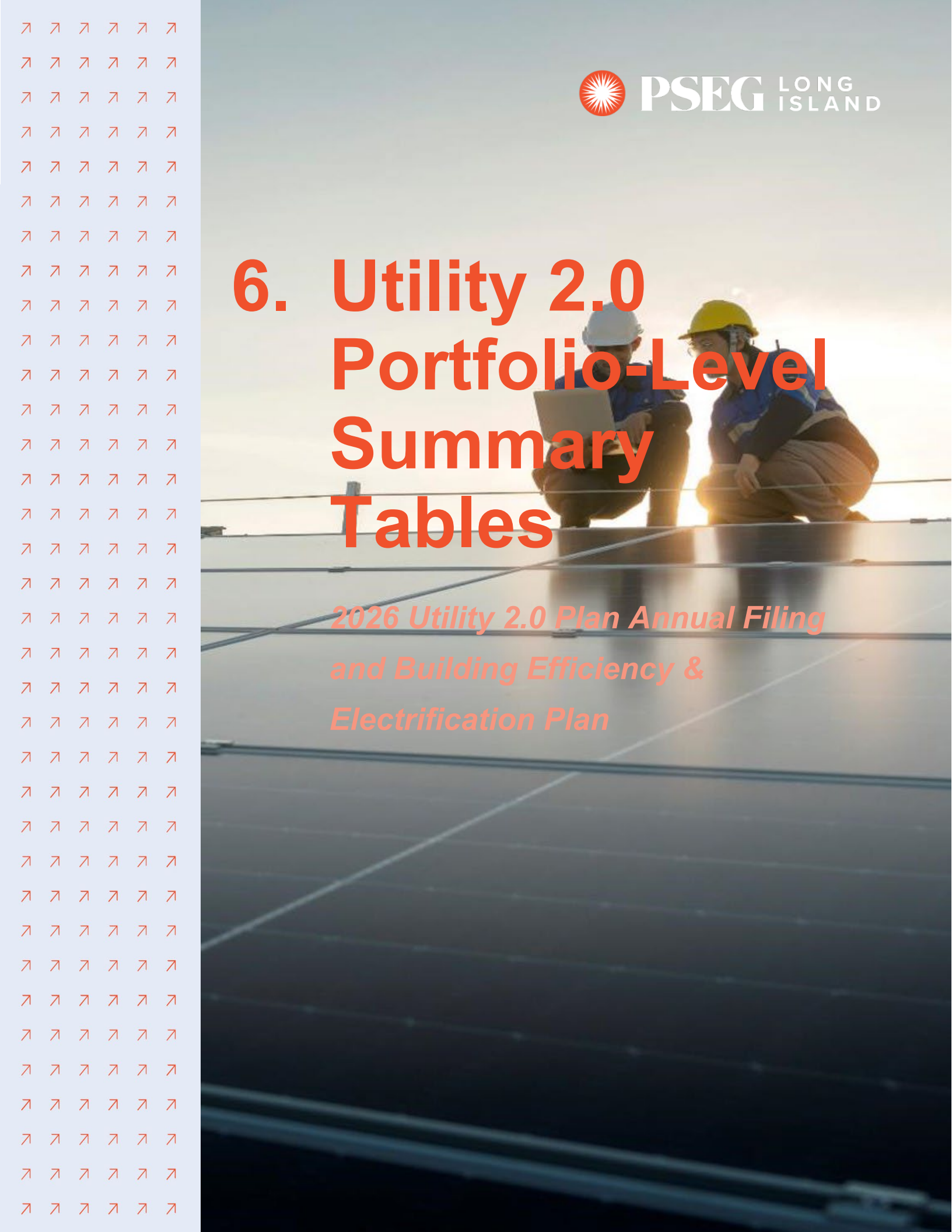
The incremental budget supports the additional level of effort for the new Phase 2 requirements that include an expanded set of data fields for the Rates, Network and Customer data domains. The newly requested data elements will require additional effort for data discovery, requirements definition, internal security reviews, and solution development. There is also an increased burden of aligning PSEG Long Island's data models with the new common data models and the complexity of the data sets being requested.

The additional \$0.60 million requested plus the \$0.48 million reallocated from 2025 brings the total capital budget to be \$2.01 million for 2027.

The \$1.70 million in capital budget requested for 2028 represents a high-level estimate of potential costs associated with the implementation of a future Phase 3, informed by PSEG Long Island's experience with Phases 1 and 2 of the program. This estimate will be further refined when and if Phase 3 is formally announced and additional information regarding its scope and requirements becomes available.

¹⁴⁸ A nominal portion of the Capital Forecasts for 2026-2028 are attributed to Capital Expenditure for external (Engineering Consultant) Utility 2.0 PMO support for the IEDR Platform.

¹⁴⁹ The budgetary values presented in this table are rounded to the hundredths decimal place.

The background of the slide is a photograph of two workers in hard hats and safety vests crouching on a rooftop, looking at a laptop. The rooftop is covered with solar panels, and the scene is backlit by a bright sun, creating a silhouette effect and a warm glow.

6. Utility 2.0 Portfolio-Level Summary Tables

*2026 Utility 2.0 Plan Annual Filing
and Building Efficiency &
Electrification Plan*



6. Utility 2.0 Portfolio-Level Summary Tables

6.1. Budget Requested for New and Active Utility 2.0 Initiatives

Table 6-1 summarizes the updated budget request for Utility 2.0 initiatives, broken out by Capital and O&M expenditures. Given that the 2026 Utility 2.0 Plan is representative of a one-year outlook, the budget requests reflect only 2027. Estimated spending projections are provided for 2028; however, this outer year will be revisited in next year's 2027 Utility 2.0 Plan.

Table 6-1. 2027 Budget Request and 2028 Projections for Active and Proposed Initiatives¹⁵⁰

Focus Area	Initiative Name	Capital Expenditure (\$M)			O&M Expenditure (\$M)			2-Year Total
		Request 2027 ¹⁵¹	Projection 2028	2-Year Total	Request 2027 ¹⁵²	Projection 2028	2-Year Total	
Demand Flexibility	DLM Tariff and Demand Flexibility Programs	0.00	0.00	0.00	7.50	N/A	7.50	7.50
	Demand Flexibility Total	0.00	0.00	0.00	7.50	N/A	7.50	7.50
Transportation Electrification	Fleet Make Ready Program	0.25	0.25	0.49	1.17	1.19	2.35	2.85
	EV Make Ready Program	0.97	0.97	1.95	6.50	6.51	13.01	14.96
	Residential Charger Rebate Program	0.00	0.00	0.00	0.60	0.60	1.20	1.20
	DCFC Incentive Program	0.00	0.00	0.00	0.05	0.00	0.05	0.05
	EV Phase-In Rate	0.27	0.00	0.27	0.00	0.00	0.00	0.27
	Managed Charging Pilot Program	0.00	0.00	0.00	2.00	2.00	4.00	4.00
	Transportation Electrification Total	1.49	1.22	2.71	10.56¹⁵³	10.55	21.11	23.83
Digital Enablement	IEDR Platform	2.01	1.70	3.71	0.35	0.40	0.75	4.46
	Digital Enablement Total	2.01	1.70	3.71	0.35	0.40	0.75	4.46
Total Utility 2.0 Portfolio¹⁵⁴		3.51	2.92	6.43	18.41	10.95	29.36	35.79

¹⁵⁰ The budgetary values presented in this table are rounded to the hundredths decimal place.

¹⁵¹ A nominal portion of the Capital Request for 2027 is attributed to Capital Expenditure for external (Engineering Consultant) Utility 2.0 Project Management Office (PMO) Support for the Make Ready Programs, EV Programs, and IEDR Platform.

¹⁵² The BEE Portfolio as well as the Special Projects and PMO budgets are not a part of this 2027 Utility 2.0 budget request. The BEE Portfolio budget is summarized in **Chapter 4** and the Special Projects and PMO budgets (including associated labor – O&M) are a part of the overall core PSEG Long Island Operating budget.

¹⁵³ The 2027 Transportation Electrification 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.

¹⁵⁴ The Total Utility 2.0 budget reflects budget to support direct implementation and management of the Utility 2.0 initiatives and is not encompassing of all EE / RE Departmental costs.



6.2. Budget Variance for Ongoing Utility 2.0 Initiatives

Table 6-2 shows the variance between the approved reconciled budgets from the 2025 Utility 2.0 Plan, the actual 2025 spend, and the updated 2026 – 2027 projected budgets for the Utility 2.0 initiatives. Cost-level details for the 2025 actual spend, 2026 planned spend, 2027 requested spend, and 2028 projected spend are included in **Chapters 2, 3, and 5**. It is important to note that negative values reflect an actual or projected underspend of the previously filed budget.

Table 6-2. 2025 – 2027 Variance Between Reconciled Budget and Updated Initiative Spending¹⁵⁵

Focus Area	Initiative Name	Capital (\$M)			O&M (\$M)			
		2025 Budget 2025-2027	Updated Forecast 2025-2027	Total Capital Variance	2025 Budget 2025-2027	Updated Forecast 2025-2027	Total O&M Variance	Total Variance
Demand Flexibility	DLM Tariff and Demand Flexibility Programs	0.00	0.00	0.00	5.01	14.28	9.26	9.26
	Demand Flexibility Total	0.00	0.00	0.00	5.01	14.28	9.26	9.26
Transportation Electrification	Fleet Make Ready Program	5.06	0.69	(4.38)	3.79	2.15	(1.65)	(6.02)
	EV Make Ready Program	8.25	6.78	(1.47)	32.17	25.85	(6.32)	(7.79)
	Residential Charger Rebate Program	0.00	0.00	0.00	2.56	1.69	(0.87)	(0.87)
	DCFC Incentive Program	0.00	0.00	0.00	1.40	0.94	(0.46)	(0.46)
	EV Phase-In Rate	8.23	8.07	(0.16)	0.00	0.00	0.00	(0.16)
	Managed Charging Pilot	0.00	0.00	0.00	0.00	2.00	2.00	2.00
	Transportation Electrification Total	21.55	15.54	(6.00)	40.68	33.36	(7.32)	(13.32)
Digital Enablement	IEDR Platform	6.29	6.89	0.60	0.70	0.65	(0.05)	0.55
	Digital Enablement Total	6.29	6.89	0.60	0.70	0.65	(0.05)	0.55
Total Utility 2.0 Portfolio		27.84	22.43	(5.40)	46.39	48.29	1.90	(3.51)

¹⁵⁵ The budgetary values presented in this table are rounded to the hundredths decimal place.



Table 6-3 shows the variance by Utility 2.0 initiative broken out by year. Cost-level details for the 2025 actual spend, 2026 planned spend, 2027 requested spend, and 2028 projected spend are included in **Chapters 2, 3, and 5**. It is important to note that negative values reflect an actual or projected underspend of the previously filed budget and that the variance in 2027 is the difference between the budget projected in the 2025 filing and the budget PSEG Long island is requesting in this year's filing.

Table 6-3. Annual Variance Between Approved Budget and Updated Project Spending¹⁵⁶

Focus Area	Initiative Name	Total Variance from 2025 Filed Plan			
		2025	2026	2027	Total
Demand Flexibility	DLM Tariff and Demand Flexibility Programs	0.00	1.76	7.50	9.26
	Demand Flexibility Total	0.00	1.76	7.50	9.26
Transportation Electrification	Fleet Make Ready Program	(1.44)	(2.27)	(2.31)	(6.02)
	EV Make Ready Program	(0.85)	(0.75)	(6.18)	(7.79)
	Residential Charger Rebate Program	(0.87)	0.00	0.00	(0.87)
	DCFC Incentive Program	(0.26)	0.00	(0.20)	(0.46)
	EV Phase-In Rate	(0.04)	0.00	(0.11)	(0.16)
	Managed Charging Pilot	0.00	0.00	2.00	2.00
	Transportation Electrification Total	(3.49)	(3.02)	(6.81)	(13.32)
Digital Enablement	IEDR Platform	(0.58)	0.00	1.13	0.55
	Digital Enablement Total	(0.58)	0.00	1.13	0.55
Total Utility 2.0 Portfolio		(4.07)	(1.26)	1.82	(3.51)

¹⁵⁶ The budgetary values presented in this table are rounded to the hundredths decimal place.



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 2028 as a result of the Utility 2.0 initiatives. This net increase is driven primarily by the DLM Tariff & Demand Flexibility Programs.

Figure 6-1. Residential Customer Bill Impacts from Utility 2.0 Initiatives

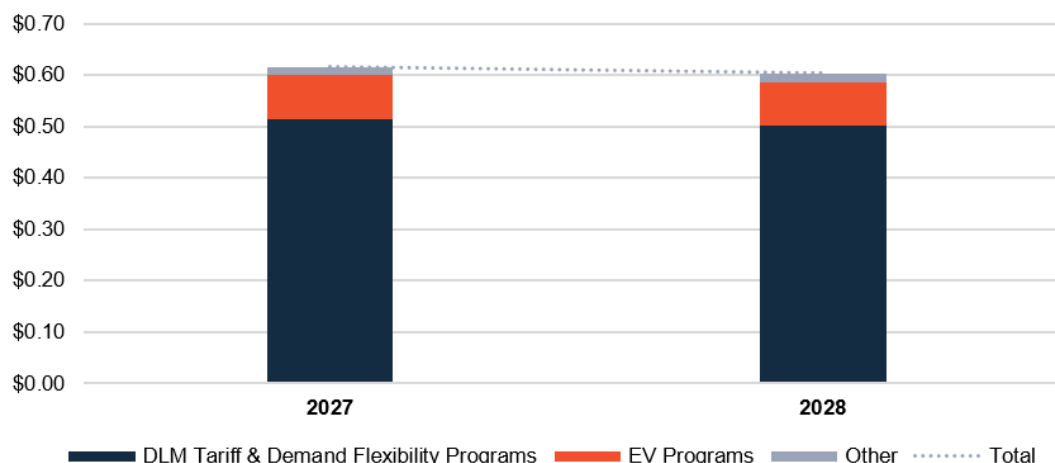


Table 6-4 illustrates the estimated rate impact on residential customers. These rate impacts reflect the capital, O&M, net revenue change, and power supply costs for each active program, initiative, and project included in the 2026 Utility 2.0 Plan's funding requirements. A positive impact indicates an increase, and a negative impact indicates a decrease in rates.¹⁵⁷

Table 6-4. Residential Rate Impacts

Initiative	2027 (\$)	2028 (\$)
EV Programs ¹⁵⁸	0.09	0.08
Make Ready Programs ¹⁵⁹	0.00	0.00
DLM Tariff & Demand Flexibility Programs ¹⁶⁰	0.51	0.50
IEDR Platform	0.01	0.02
Total	0.62	0.61

¹⁵⁷ Residential rate impacts are rounded to the nearest hundredths place.

¹⁵⁸ EV Programs include the DCFC Program, Residential Charger Rebate Program, and EV Phase-In Rate.

¹⁵⁹ Make Ready Programs include the EV Make Ready and the Fleet Make Ready Program.

¹⁶⁰ The forecasted 2028 budget for the DLM Tariff and Demand Flexibility Programs is not available, as it is highly dependent on prior-year enrollment and participation levels. To avoid understating rate impacts in 2028, the forecast assumes consistency with the 2027 budget request.



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 decrease in commercial bills through 2028 as a result of the Utility 2.0 initiatives. This net decrease is driven primarily by the Make Ready Programs, more specifically the EV Make Ready Program.

Figure 6-2. Commercial Customer Bill Impacts from Utility 2.0 Initiatives

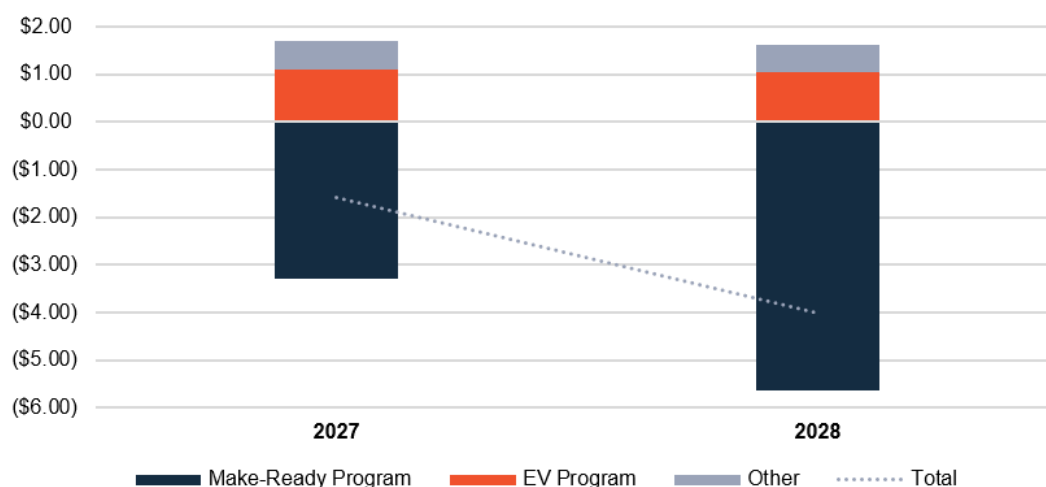


Table 6-5 illustrates the estimated rate impact on commercial customers. These rate impacts reflect the capital, O&M, net revenue change, and power supply costs for each active program, initiative, and project included in the 2026 Utility 2.0 Plan's funding requirements. A positive impact indicates an increase, and a negative impact indicates a decrease in rates.¹⁶¹

Table 6-5. Commercial Rate Impacts

Initiative	2027 (\$)	2028 (\$)
EV Programs ¹⁶²	1.11	1.04
Make Ready Programs ^{163, 164}	(3.29)	(5.64)
DLM Tariff and Demand Flexibility Programs ¹⁶⁵	0.48	0.46
IEDR Platform	0.10	0.12
Total	(1.59)	(4.02)

¹⁶¹ Commercial rate impacts are rounded to the nearest hundredths place.

¹⁶² EV Programs include the DCFC Program, Residential Charger Rebate Program, and EV Phase-In Rate.

¹⁶³ Make Ready Programs include the EV Make Ready and the Fleet Make Ready Program.

¹⁶⁴ Make Ready Program bill impacts for commercial customers are based on the projected incremental EVs attributable to the Program for 2027 and 2028, including the associated forecasted electricity usage and resulting revenues used in the rate impact analysis.

¹⁶⁵ The forecasted 2028 budget for the DLM Tariff and Demand Flexibility Programs is not available, as it is highly dependent on prior-year enrollment and participation levels. To avoid understating rate impacts in 2028, the forecast assumes consistency with the 2027 budget request.

Appendix

2026 Utility 2.0 Plan Annual Filing and Building Efficiency & Electrification Plan





Appendix A. Benefit-Cost Analysis Handbook and Results

This BCA 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 BCA Handbooks by June 30, 2016, as a requirement of the Order Establishing the Benefit-Cost Analysis Framework (*BCA Order*).¹⁶⁶

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. The below subsections provide an overview of PSEG Long Island's BCA Handbook, relevant cost-effectiveness tests, and utility-specific assumptions that are used for BCAs. Since the BCA methodologies, calculations, and examples remain unchanged from the last two years, 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

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

¹⁶⁶ *BCA Order*: Case 14-M-0101, Order Establishing the Benefit Cost Analysis Framework (issued January 21, 2016). NYSDPS-DMM: Matter Master: (See **Appendix E** for URL addresses).



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 ¹⁶⁷
Allowance Prices (SO ₂ , and NO _x)	NYISO: CARIS Phase 2
Net Marginal Damage Cost of Carbon	DPS Staff: To be provided ¹⁶⁸

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.

¹⁶⁷ 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.

¹⁶⁸ The Net Marginal Damage Cost of Carbon is determined by the NYSERDA REC acquisition price. (See **Appendix E** for URL addresses).



Table A-2. Utility-Specific Assumptions

Utility-Specific Assumptions	Source
Weighted Average Cost of Capital	[Utility-specific] Marginal Cost of Electric Delivery Service Study
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 ¹⁶⁹
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 the 2024 Utility 2.0 Plan.¹⁷⁰ 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 Societal Cost Test (SCT), Utility Cost Test (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**.

¹⁶⁹ 2024 Annual Electric Service Reliability Report. (See **Appendix E** for URL addresses).
¹⁷⁰ 2024 Utility 2.0 Long Range Plan & Energy Efficiency Plan, Appendix A. (See **Appendix E** for URL addresses).



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.

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.”¹⁷¹

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 table below.

¹⁷¹ *BCA Order*, pg. 13.



Table A-4. Summary of Cost-Effectiveness Tests by Benefit and Cost

Benefit/Cost	SCT	UCT	RIM
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	✓		
Net Non-Energy Benefits Related to Utility or Grid Operations***	✓	✓	✓
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 2026, 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 (<i>e.g.</i> , generation, transmission, and natural gas); also includes the cost of externalities (<i>e.g.</i> , 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.”¹⁷²

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 CO₂, Avoided SO₂ 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 CO₂ 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.

¹⁷² BCA Order, pg. 24



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 NO_x, 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.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 PSC Orders focus on Money-Out-The-Door (MOTD), PSEG Long Island will treat benefits as Direct Services along with rebates and incentives in the BEE 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-8. 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-9**.



Table A-9. PSEG Long Island Loss Data

System	Variable Loss Percent	Fixed Loss Percent
Energy	N/A	5.56%
Demand	N/A	6.33%

Source: PSEG Long Island Transmission & Distribution (T&D) Group

PSEG Long Island-specific system-level marginal costs of service for the period of 2026 through 2045 are presented below in **Table A-10**. The avoided carbon costs are incremental to the carbon coefficient embedded in the avoided marginal energy costs.

Table A-10. PSEG Long Island System Average Marginal Costs of Service

Year	Marginal Energy Cost \$/MWh	Marginal Capacity Cost \$/kW-Year	Avoided Cost of Carbon \$/kWh Saved
2026	\$52.50	\$91.01	0.03103
2027	\$49.96	\$97.82	0.03103
2028	\$57.95	\$92.82	0.03103
2029	\$63.19	\$96.05	0.03103
2030	\$63.90	\$104.01	0.03103
2031	\$64.51	\$121.68	0.03103
2032	\$65.38	\$118.62	0.03103
2033	\$64.65	\$130.63	0.03103
2034	\$65.72	\$145.69	0.03103
2035	\$67.91	\$159.50	0.03103
2036	\$68.96	\$173.28	0.03103
2037	\$71.23	\$207.22	0.03103
2038	\$72.83	\$229.60	0.03103
2039	\$76.83	\$243.26	0.03103
2040	\$80.55	\$256.53	0.03103
2041	\$85.43	\$268.30	0.03103
2042	\$93.11	\$280.18	0.03103
2043	\$100.83	\$296.51	0.03103
2044	\$113.92	\$310.65	0.03103
2045	\$119.14	\$323.36	0.03103

Source: PSEG Long Island, Resource Planning Group



A.4 EV and Fleet Make Ready Reforecasted BCA Results

In 2026, the EV and Fleet Make Ready BCA was refreshed to reflect the latest market conditions at the federal and state levels, infrastructure costs, and updated program actuals and forecasts.¹⁷³

Benefit streams considered in the BCA are the same as the original BCA developed in 2023, except for the Federal Tax Incentive that expired at the end of 2025, and include:

- Net avoided carbon emissions from reduced fossil fuel consumption
- Avoided fossil fuel consumption
- Added electricity as a benefit for the utility
- Vehicle O&M savings
- Gasoline / diesel security value

The benefits are primarily driven by fuel switching, which accounts for avoided fossil fuel consumption from EV uptake, vehicle O&M savings from lower O&M costs associated with EVs, and gasoline / diesel security value from a decreased need for imported oil.

Program costs considered in the BCA include:

- Make ready infrastructure costs
- Electric Vehicle Supply Equipment (EVSE) costs
- Ongoing O&M, program management, and IT investment costs
- Added energy from increased electricity usage (utility cost)
- Increased electricity consumption (customer cost)
- Added participant DER costs not rebated by the program
- Incremental vehicle cost
- Added capacity costs

Societal costs are driven primarily by participant DER costs, which include EVSE and O&M costs and the incremental costs of EVs.

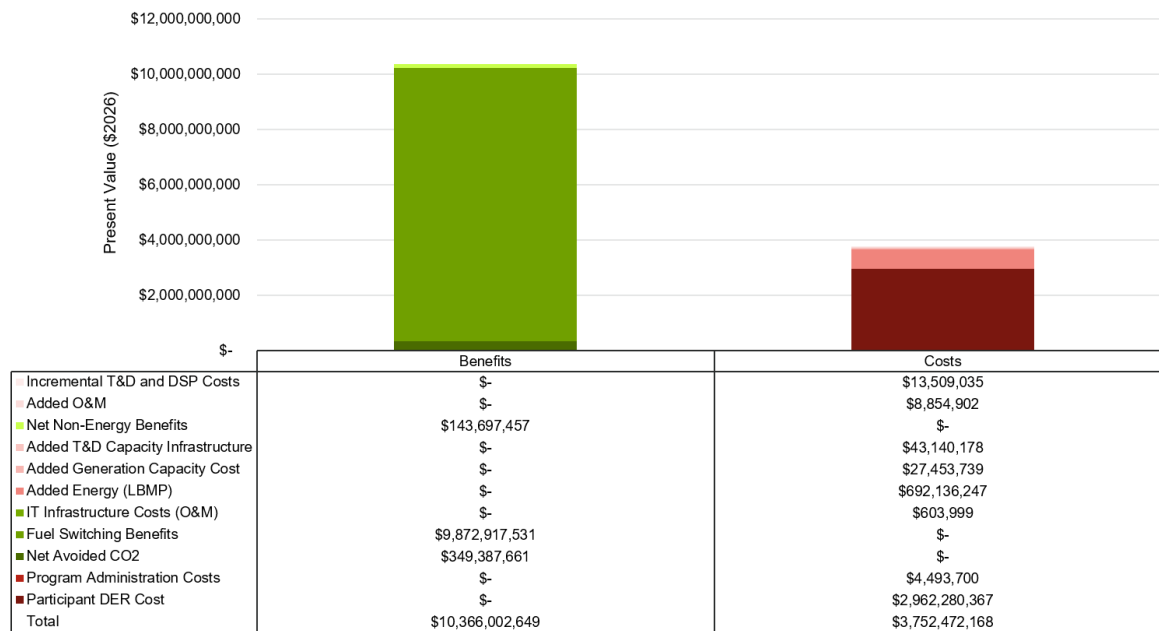
The combined Make Ready Program has a SCT benefit-to-cost ratio of 3.10. The two components of the EV Make Ready Program and the Fleet Make Ready Program have SCT

¹⁷³ Make Ready Program EV forecasts used in the updated BCA are based on the projected cumulative number of EVs on the road for Long Island, which were estimated based on EV adoption, market conditions, and historical trends.



ratios of 3.10 and 3.67, respectively. The EV Make Ready Program's SCT ratio has increased from the previously filed BCA in 2023, primarily driven by significant increases in fuel switching benefits over time. This is detailed in **Figure A-1**.

Figure A-1. Net Present Value Benefits and Costs





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 budget. 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 budget and fulfilling Utility 2.0 regulatory reporting requirements.
On Hold	An initiative not currently spending Utility 2.0 budget 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.
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 2018-2020 Utility 2.0 Plans completed their scope and objectives and transitioned to Operational status effective January 1, 2023. By the end of 2023, two additional initiatives transitioned to Operational status effective January 1, 2024. As of the 2025 Utility 2.0 Plan submission, the Suffolk County Make Ready Bus Pilot transitioned from Active to Operational status and the Connected Buildings Pilot transitioned to Completed.



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 • 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		
2026	• Connected Buildings Pilot	• Suffolk County Make Ready Bus Pilot	

Orange Text: Completed Utility 2.0 Initiatives



Suffolk County Make Ready Bus Pilot

The Suffolk County Bus Make Ready Pilot was a targeted pilot initiative to support the electrification of Suffolk County's bus fleet by addressing the make ready infrastructure needed to enable bus charging. The pilot focused on helping advance planning, design, and utility coordination for required electric service upgrades and related infrastructure in Suffolk County so that depot charging could be installed and buses could be transitioned to electric operation, supporting broader Transportation Electrification and New York State emissions-reduction objectives.

A Final Pilot Assessment Report will be completed following a 12-month data collection period once the buses are delivered and operational. The pilot was funded outside of the Utility 2.0 Program. Bus delivery is currently scheduled for Q2 2026, with the 12-month data collection period anticipated to conclude in Q2 2027, at which time the final pilot assessment will be completed.

The Suffolk County Bus Pilot is providing valuable insights into fleet electrification planning, utility coordination, site readiness, stakeholder engagement, and customer education. As data from the pilot becomes available, PSEG Long Island will evaluate lessons learned and best practices that can be incorporated into the Fleet Make Ready Program. These findings may help streamline the customer journey, reduce implementation barriers, improve outreach strategies, and better inform fleet customers considering transportation electrification. The results will also provide valuable market intelligence that can support future program enhancements and help increase participation in the Fleet Make Ready Program.

EV Programs – NYSERDA Clean Transportation Prize

Budget for the NYSERDA Clean Transportation Prize ended in Q2 2026, consistent with the program's current authorization period. Through this program, PSEG Long Island supported awardee Ride Circuit in providing short-distance EV transportation for residents in the Rockaways and Brentwood, Long Island. The Rockaways program launched in December 2023 and moved over 38,000 riders as of 2025, while the Brentwood program launched in October 2024 and moved over 66,000 riders as of 2025, focusing on connections to local jobs, including those at the Hauppauge Industrial Area, education, and regional rail of the Long Island Railroad (LIRR). Both services were app-based and aligned around identifying community needs and prioritizing local resident destinations. Ride Circuit also installed EV infrastructure to be used as a resource for the surrounding communities. As of this filing, Ride Circuit has ceased their operation in these locations.

Connected Buildings Pilot

The Connected Buildings Pilot transitioned to Completed status at the beginning of 2026. The objective of this pilot was to assess the capability of a smart breaker panel to provide



customers an ability to respond to Utility price and dispatch signals by providing circuit level data and circuit level control capability, enable more efficient energy consumption management, help reduce DER interconnection costs, enhance customer resiliency by enabling prioritized control of critical loads during outages, and support beneficial electrification. The pilot leveraged Smart Electric Panels (SPAN) to integrate and control end-use devices at the breaker level, providing enhanced visibility into customer loads and granular control of distributed energy resources.

The pilot was offered to PSEG Long Island residential customers, primarily single-family homes with integrated residential DERs such as solar, storage, EV chargers, and heat pumps. A total of 61 smart panels were installed at 59 residences. The results from the final analysis of the pilot will be used to determine if any future offerings related to the technology should be undertaken by PSEG Long Island moving forward.

2025 Operational Project Spend (financed outside of Utility 2.0 Program)

Ongoing maintenance and savings for the Super Savers Demand Response programs continued through September 30, 2025. Payments to the contractor for load relief were made at the end of each Capability Period, running from May 1st to September 30th, 2025.

Table B-3. 2025 Project Spend for Operational Projects (financed outside of the Utility 2.0 Program)

Initiative	2025 Status	2026 Status	Category	2025 Actual (\$)
Super Savers – Patchogue	Operational	Operational	O&M	13,770
Super Savers – North Bellmore	Operational	Operational	O&M	–
EV and Storage Hosting Capacity Maps	Operational	Operational	Capital	–
Suffolk County Bus Make Ready	Active	Operational	O&M	281,257
Connected Buildings	Active	Complete	O&M	9,800
Total				304,827



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 which provides a due diligence and advisory role to LIPA regarding retail rates and the content and direction of the Utility 2.0 and BEE Programs.

Long Island Power Authority

LIPA is a New York Public Authority that owns the electric T&D system on Long Island and in the Rockaways LIPA provides electric service to approximately 1.2 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. 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 (also referred to as the 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. 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) extension was approved and has a term of five years expiring on December 31, 2030. Pursuant to the Second A&R OSA, PSEG Long Island is the service provider to, and the agent of, LIPA and provides LIPA with operations services, such as 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 is responsible for the procurement and supply of fuel and electricity for LIPA as of 2026.¹⁷⁴

¹⁷⁴ American Public Power Association: LIPA Board of Trustees Approves Power and Fuel Supply Agreement with The Energy Authority. (See **Appendix E** for URL addresses).



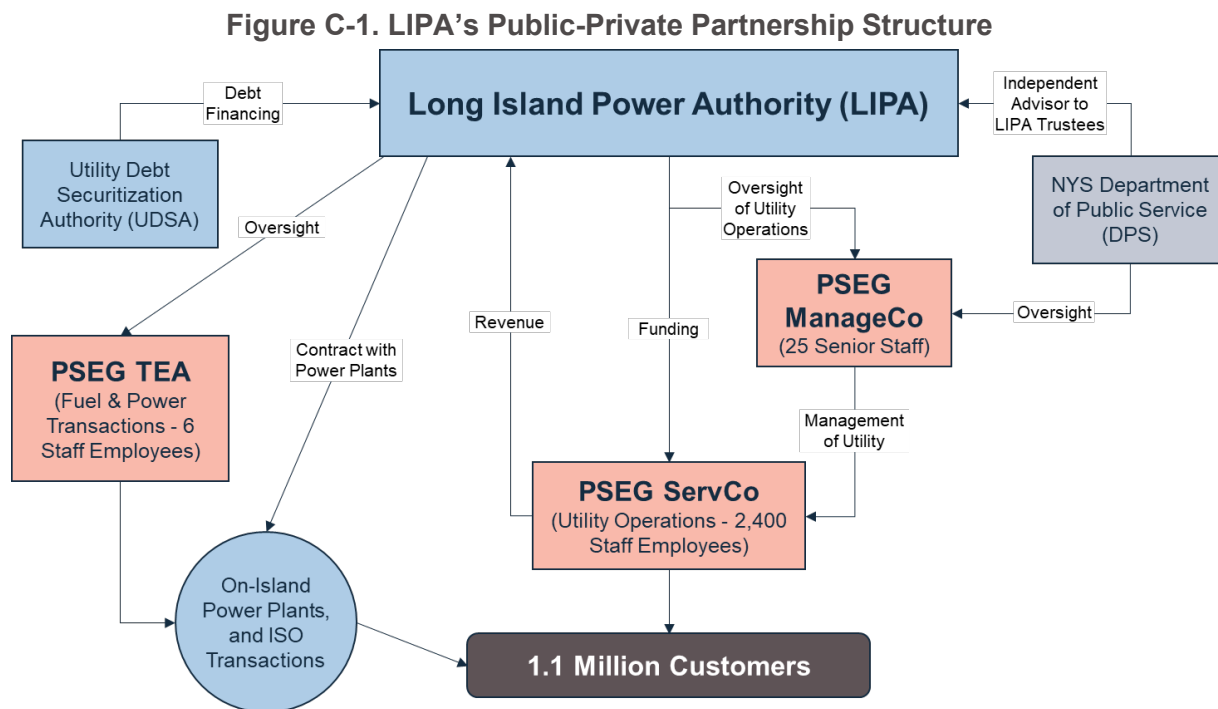
New York Department of Public Service (DPS)

The DPS, as the state utility regulator, 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 DPS for review. Public Service Law §§3-b(3)(a) and (g), authorizes 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.





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 OSA¹⁷⁵
- 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

¹⁷⁵ See First A&R OSA and Second A&R OSA. (See **Appendix E** for URL addresses).



Appendix D. Acronyms and Abbreviations

AC	Air Conditioning	BPCA	Building Performance Contractors Association
ACC	Advanced Clean Cars		
ACCA	Air Conditioning Contractors of America	BPI	Building Performance Institute
ACE	Avoided Cost of Energy (analogous to LBMP)	BTM	Behind-the-Meter
AHJ	Authority Having Jurisdiction	Btu	British thermal unit
AHRI	Air-Conditioning, Heating, and Refrigeration Institute	BYOB	Bring-Your-Own-Battery
AI	Artificial Intelligence	CAC	Climate Action Council
AMI	Advanced Metering Infrastructure / Area Median Income	ccASHP	Cold Climate Air Source Heat Pump
API	Application Programming Interface	CCS	Carbon Capture and Storage
ASHRAE	American Society of Heating, Refrigerating and Air Conditioning Engineers	CDG	Community Distributed Generation
ASPE	American Society of Plumbing Engineers	CEITC	Clean Energy Investment Tax Credit
BCA	Benefit-Cost Analysis	CEP	Commercial Efficiency Program
BDT	Blower Door Test	C&I	Commercial and Industrial
BE	Building Electrification	CIAC	Contribution in Aid of Construction
BEE	Building Efficiency & Electrification	CGPP	Coordinated Grid Planning Process
BEEM	Building Efficiency and Electrification Model	CJWG	Climate Justice Working Group
BESS	Bulk Energy Storage System	CLCPA	Climate Leadership and Community Protection Act
BMS	Building Management System	CO2	Carbon Dioxide
BOC	Building Operator Certification	COP	Coefficient of Performance
BOMA	Building Owners and Management Association	CPP	Community Partnerships Program
BOP	Balance of Plant	CRM	Customer Relationship Management
		CSMR	Customer-Side Make Ready
		CSRP	Commercial System Relief Program



CVR	Conservation Voltage Reduction	ESE	Energy Service Entities
DAC	Disadvantaged Community	ESS	Energy Storage System
DCFC	Direct Current Fast Charging	EV	Electric Vehicle
DCR	Demand Charge Rebate	EVMR	Electric Vehicle Make Ready Program
DEC	Department of Environmental Conservation	EVSE	Electric Vehicle Supply Equipment
DER	Distributed Energy Resources	FIT	Feed-in-Tariff
DI	Direct Install	FTE	Full Time Equivalent
DIY	Do It Yourself	FTM	Front-of-the-Meter
DLC	Direct Load Control	G&A	General & Administrative Expenses
DLM	Dynamic Load Management	GHG	Greenhouse Gas
DLRP	Distribution Load Relief Program	GSHP	Ground Source Heat Pump
DPS	Department of Public Service	GW	Gigawatt
DR	Demand Response	HCR	Homes and Community Renewal
DRV	Demand Reduction Value	HEM	Home Energy Management
DSA	Demand Side Analytics	HP	Heat Pump
DSIP	Distribution System Implementation Plan	HPWH	Heat Pump Water Heater
DSP	Distributed System Platform	HVAC	Heating, Ventilation, and Air Conditioning
ECM	Energy Conservation Measure	IC	Integrated Controls
EE	Energy Efficiency	IEDR	Integrated Energy Data Resource
EFS	Energy Finance Solutions	IGSHPA	Integrated Ground Source Heat Pump Association
EISA	Energy Independence and Security Act	IR	Interrogatory Request
EMS	Energy Management System	IRP	Integrated Resource Planning
EM&V	Evaluation, Measurement, and Verification	ISC	Index Storage Credit
EPRI	Electric Power Research Institute	IT	Information Technology
ES	Energy Storage	ITC	Investment Tax Credit
		IVR	Interactive Voice Response
		JU	Joint Utilities
		KPI	Key Performance Indicator



kW	Kilowatt	NACS	North American Charging Standard
kWh	Kilowatt-Hour		
L1	Level 1 (EV Chargers)	NDA	Non-Disclosure Agreement
L2	Level 2 (EV Chargers)		
LBMP	Location-Based Marginal Pricing	NEEP	Northeast Energy Efficiency Partnerships
LDV	Light-duty Vehicle		
LEED	Leadership in Energy and Environmental Design	NEM	Net Energy Metering
LF	Load Factor	NENY	New Efficiency: New York
LIBI	Long Island Building Institute	NESP	National Energy Screening Project
LIHTC	Low-income Housing Tax Credits	NPV	Net Present Value
LILCO	Long Island Lighting Company	NSP	Network Service Provider
LIPA	Long Island Power Authority	NWA	Non-Wires Alternatives
LIRR	Long Island Railroad	NYISO	New York Independent System Operator
LMI	Low-to-Moderate Income	NYS	New York State
LMMBtu-e	Lifetime Million British thermal unit-equivalent	NYSERDA	New York State Energy Research and Development Authority
LRE	Load Relief Event	OEM	Original Equipment Manufacturer
LSRV	Locational System Relief Value	O&M	Operations and Maintenance
M	Meter	OSA	Operations Services Agreement
MAC	Major Account Consultant	OSC	Office of State Control
MCOS	Marginal Cost of Service	PHEV	Plug-in Hybrid Electric Vehicle
MHDV	Medium- and Heavy-Duty Vehicles	PII	Personally Identifiable Information
MMBtu	Million British thermal units	PMO	Project Management Office
MOTD	Money-out-the-door	PON	Program Opportunity Notice
MOU	Memorandum of Understanding	PPA	Power Purchase Agreement
MSA	Master Services Agreement	PSC	Public Service Commission
MW	Megawatt		
MWh	Megawatt-Hour	PSEG	Public Service Enterprise Group Incorporated



PTHP	Packaged Terminal Heat Pump	SQL	Structured Query Language
PV	Photovoltaic	T&D	Transmission and Distribution
QA/QC	Quality Assurance / Quality Control	TA	Technical Assistance
QIV	Quality Installation Verification	TE	Transportation Electrification
QPL	Qualified Products List	TEA	The Energy Authority
RCT	Randomized Control Trial	TED	Transportation, Economic Development and Environmental Conservation
REAP	Residential Energy Affordability Partnership		
RE	Renewable Energy	TOD	Time of Day
REC	Renewable Energy Credit	TOU	Time of Use
REV	Reforming the Energy Vision	TRC	The Research Corporation of New England
RFI	Request for Information		
RFP	Request for Proposal	TRM	Technical Reference Manual
RGGI	Regional Greenhouse Gas Initiative	UCG	Utility Coordination Group
RIM	Rate Impact Measure	UCT	Utility Cost Test
SCADA	Supervisory Control and Data Acquisition	USMR	Utility-Side Make Ready
SCT	Societal Cost Test	Utility 2.0 Plan	Utility 2.0 Long Range Plan
SEER	Seasonal Energy Efficiency Ratio	V2G	Vehicle-to-Grid
SEM	Search Engine Marketing	V2H	Vehicle-to-Home
SEO	Search Engine Optimization	V2X	Vehicle-to-Everything
SGIP	Self-Generation Incentive Program	VDER	Value of Distributed Energy Resources
SLT	Senior Leadership Team	VFD	Variable Frequency Drive
SME	Subject Matter Expert	VPP	Virtual Power Plant
SMI	State Median Income	WACC	Weighted Average Cost of Capital
		ZEV	Zero-Emission Vehicle



Appendix E. Footnote Citations and URL Addresses

¹ Pursuant to the Second Amended and Restated Operations Services Agreement (hereinafter referred to as the OSA) dated April 1, 2022, as it may be restated, amended, modified, or supplemented from time to time, between Long Island Electric Utility Servco LLC and the Long Island Power Authority f/k/a Long Island Lighting Company d/b/a LIPA and PSEG Long Island LLC, PSEG Long Island is the service provider to and agent of LIPA.

² New York's Climate Leadership and Community Protection Act (CLCPA or Climate Act). <https://climate.ny.gov/>

³ Energy Efficiency and Heat Pumps are combined under Building Efficiency & Electrification.

⁴ The JU are 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).

⁵ See PSC Cases 25-M-0248 and 25-M-0249: <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>

⁶ Note that a portion of the reduction reflects the transition of PMO budget for Utility 2.0 implementation support to the PSEG Long Island Core operating budget beginning in 2027.

⁷ Any meaningful budget adjustments made to initiatives after the initial Utility 2.0 Plan submission and prior to the receipt of the DPS Recommendation Letter will be provided to the DPS through an amendment submission.

⁸ DAC spend and enhancements for Transportation Electrification Programs are not included in this figure.

⁹ A nominal portion of the Capital Request for 2027 is attributed to Capital Expenditure for external (Engineering Consultant) Utility 2.0 Project Management Office (PMO) support for the Make Ready Programs, EV Programs, and IEDR Platform.

¹⁰ Special Projects and PMO budget and associated labor (O&M) is not a part of this 2027 Utility 2.0 budget request as it is included as a part of the overall core PSEG Long Island Operating budget.

¹¹ The 2027 Transportation Electrification 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.

¹² The Total Utility 2.0 and BEE Budget reflects budget to support direct implementation and management for the Utility 2.0 and BEE initiatives and does not encompass all EE/Renewable Energy (RE) Departmental costs.

¹³ The budgetary values presented in this table are rounded to the hundredths decimal place.

¹⁴ The DLM Tariff Program budget that was historically included within this "Other Budget Components Not Associated with Programmatic Savings" section within the BEE portfolio has now shifted into the Demand Flexibility & DERs budget as a part of the Utility 2.0 Portfolio (**Section 3.1**). In addition, the 2027 BEE portfolio reflects budget to support direct implementation and management of the BEE programs for determining the accurate MOTD.

¹⁵ The budgetary values presented in this table are rounded to the hundredths decimal place.

¹⁶ The budgetary values presented in this table are rounded to the hundredths decimal place.

¹⁷ The duration of the approved budget 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 3 through 6**.

¹⁸ 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.

¹⁹ New York State. Disadvantaged Communities Criteria. <https://climate.ny.gov/Resources/Disadvantaged-Communities-Criteria>

²⁰ New York State Department of Environmental Conservation and NYSEDA. New York State's Disadvantaged Communities Criteria. https://www.google.com/url?sa=t&rct=j&q=&esrc=s&source=web&cd=&ved=2ahUKEwJAhaiGn8uUAXU9v4kEHa9aIrUQFnoEC_ClQAAQ&url=https%3A%2F%2Fclimate.ny.gov%2F-%2Fmedia%2FProject%2FClimate%2FFiles%2FDisadvantaged-Communities-Criteria%2FLMI-daccriteria-fs-1-v3_acc.pdf&usq=AOvVaw1cnzMsu-lqxBuaGVs5xOnp&opi=89978449

² New York State Climate Justice Working Group Draft Disadvantaged Communities Criteria and List Technical Documentation https://www.google.com/url?sa=t&rct=j&q=&esrc=s&source=web&cd=&ved=2ahUKEwiUgOD9oMuUAxVOK4kEHdFAAI8QFnoECBwQAQ&url=https%3A%2F%2Fclimate.ny.gov%2F-%2Fmedia%2FProject%2FClimate%2FFiles%2FDisadvantaged-Communities-Criteria%2FTechnical-Documentation-on-Disadvantaged-Community-Criteria.pdf&usq=AOvVaw2jkBXoDaM7ID1YVc_pbHtl&opi=89978449

²² New York State. Investments and Benefits Reporting Guidance. <https://climate.ny.gov/Resources/Disadvantaged-Communities-Criteria/Investments-and-Benefits-Reporting-Guidance>

²³ New York State Assembly Bill No A10008 https://assembly.ny.gov/leg/?default_fld=&leg_video=&bn=A10008&term=&Summary=Y&Actions=Y&Committee%26nbspVotes=Y&Text=Y

²⁴ DAC enhancements and spend for Transportation Electrification Programs are not included in this figure.

²⁵ 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. <https://nam10.safelinks.protection.outlook.com?url=https%3A%2F%2Fclimate.ny.gov%2FResources%2FDisadvantaged-Communities-Criteria&data=05%7C02%7Cblownds%40guidehouse.com%7Ccfd22b26778a44cfb561208dd96eee76a%7C4ee48f43e15d4f4aa4d55d0990aac660e%7C0%7C0%7C638832675351051073%7CUnknown%7CTWFPbGZsb3d8eyJFbXB0eU1hcGkiOnRydWUslYjIoiLwLjAuMDAwMCIsIAiOiJXaW4zMiIsIkFOljoITWFpbGlzIdUljoyfIQ%3D%3D%7C0%7C%7C%7C&sdata=3wuFdoad5LVXUJdVyeWYDZk8UDhYKzsfG3eR0u48nGI8%3D&reserved=0>.

²⁶ Regional Clean Energy Hubs Program and NYSEERDA'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>

²⁷ Long Island Clean Energy Hub. <https://www.lismartenergychoices.org/>

²⁸ New York State Climate Action Council, Scoping Plan, Full Report (dated December 2022). <https://climate.ny.gov/-/media/Project/Climat/Files/NYS-Climate-Action-Council-Final-Scoping-Plan-2022.pdf> for more information

²⁹ The 2027 Budget Bill signed by Governor Hochul on May 26, 2026, included significant changes to the CLCPA, including moving the 2030 statewide requirement to reduce GHG emissions by 40% to a 60% reduction in statewide GHG levels by 2040. https://assembly.ny.gov/leg/?default_fld=&leg_video=&bn=A10008&term=&Summary=Y&Actions=Y&Committee%26nbspVotes=Y&Text=Y

³⁰ 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>

³¹ Leadership and Communication Protection Act and PSEG Long Island Contributions. <https://www.psegliny.com/saveenergymoney/GreenEnergy/CLCPA>

³² DACs and goals are tracked per Disadvantaged Communities Investments and Benefits Reporting Guidance for New York State Entities. <https://climate.ny.gov/-/media/Project/Climat/Files/Disadvantaged-Communities-Criteria/Disadvantaged-Communities-Reporting-Guidance.pdf>

³³ The statewide goals for 2030 for EE are still to be determined by New York State.

³⁴ 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.

³⁵ The 2030 statewide goal is to be determined. The 2035 goal is based on Advanced Clean Cars II and reflects only EV sales.

³⁶ Governor Hochul's 2022 State of the State Book [[governor.ny.gov/](https://www.governor.ny.gov/)], at page 146.

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 PSC Case 16-M-0411. <https://documents.dps.ny.gov/public/MatterManagement/CaseMaster.aspx?MatterCaseNo=16-M-9CD3-A87E49DF7A99%7d>
- ³⁹ PSC Order 20-E-0197. <https://documents.dps.ny.gov/public/Common/ViewDoc.aspx?DocRefId=%7b101C058A-0000-C45D-9CD3-A87E49DF7A99%7d>
- ⁴⁰ Joint Utilities of New York, *Request for Extension to File CGPP Report*, December 16, 2025. <https://documents.dps.ny.gov>
- ⁴¹ 2026 Clean & Non-Emitting Resources RFI. <https://www.psegliny.com/aboutpseglongisland/proposalsandbids/cleannonemittingresourcesrfi>
- ⁴² LIPA Time-of-Day Rate. <https://www.lipower.org/time-of-day/>. 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 higher cost peak to lower cost off-peak hours. The TOD rates also provide customers with additional control over their ability to save money as well as to reduce carbon emissions on Long Island.
- ⁴³ As of June 2026
- ⁴⁴ PSEG Long Island Time-of-Day Rate. <https://www.psegliny.com/timeofday>
- ⁴⁵ DPS: State of Storage in New York. https://www.google.com/url?sa=t&rct=j&q=&esrc=s&source=web&cd=&ved=2ahUKEwj58tjKQgNAXVf6ckDHDhRSIDIQFnoECBgQAaw&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%2520C000%2520MW.&usq=AOvVaw0FvisRBa21MURWV_26zcrp&opi=89978449
- ⁴⁶ 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>
- ⁴⁷ 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>
- ⁴⁸ The BYOB Program is nested under the CSRP / DLRP in 2026; however, starting in 2027 it will be nested under the DLC Program. As a result, narrative for the BYOB Program is included under **Section 3.1.1** to highlight this change for 2027.
- ⁴⁹ The budgetary values presented in this table are rounded to the hundredths decimal place.
- ⁵⁰ 150+ additional Battery Storage Direct Metering participants enrolled post June 2025 late enrollment period. The program allows year-round enrollments. Outside of enrollment period, participants are on a voluntary basis until the enrollment period begins.
- ⁵¹ 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=2ahUKEwj1wbTZ2qaNAXWak4kEHY07J4kQFnoECB8QAQ&url=https%3A%2F%2Fwww.psegliny.com%2Fbusinessandcontractorservices%2Fbusinessandcommercialsavings%2F-%2Fmedia%2FF9B52424E0FF48FBB8AC4E336EDBE24.ashx&usq=AOvVaw2LwcFeiU-RrOJLnlptOUy_&opi=89978449
- ⁵² This planned activity is a direct result of the recommendations received from the DPS in response to the 2025 Utility 2.0 Plan. <https://documents.dps.ny.gov/public/Common/ViewDoc.aspx?DocRefId={6036EA9A-0000-C52B-8DD7-02DBC9C349CB}&DocTitle=2025%20U.2.0%20Recommendations%20Memo>
- ⁵³ Source: EnergyHub, Inc. Visual adapted by PSEG Long Island for illustrative purposes.
- ⁵⁴ PSEG Long Island determines when a LRE should be initiated and notifies the individual participants or aggregators via PSEG Long Islands' contractor's Portal.
- ⁵⁵ PSEG Long Island 2025 Dynamic Load Management (DLM) Program Report. <https://www.google.com/url?sa=t&rct=j&q=&esrc=s&source=web&cd=&ved=2ahUKEwjhopriMaUAX9j4kEHesnLD4QFnoECBgQAQ&url=https%3A%2F%2Fdocuments.dps.ny.gov%2Fpublic%2FCommon%2FViewDoc.aspx%3FDocRefId%3D%257B10BD839A-0000-C21B-AF18-4F61917AEA77%257D&usq=AOvVaw3j2sKYNIMSCN-l-7XFdHPy&opi=89978449>
- ⁵⁶ Enrollment is cumulative.
- ⁵⁷ Number of devices multiplied by the average load shed per device.
- ⁵⁸ Customers enrolled for the 2025 season, May 1 – September 30.
- ⁵⁹ Contracted Load Relief.
- ⁶⁰ The budgetary values presented in this table are rounded to the hundredths decimal place.



⁶¹ The budgetary values presented in this table are rounded to the hundredths decimal place.

⁶² Customer application window will remain open until total allocated annual incentive budget for the year is committed. Incentive payments will be paid to customers on an annual basis once the system is interconnected and operational on the distribution system.

⁶³ <https://longisland.news12.com/its-absurd-huntington-residents-react-as-officials-mull-moratorium-on-battery-storage-facilities>, <https://www.liherald.com/seacliff/stories/town-of-oyster-bay-considers-bess-moratorium-extension,221391>

⁶⁴ Based on the NYS Standardized Interconnection Requirements (SIR) Inventory (as of March 2026) for residential ESS systems in PSEG Long Island's service territory of storage capacity. <https://dps.ny.gov/distributed-generation-information>

⁶⁵ Based on the NYS Standardized Interconnection Requirements (SIR) Inventory (as of March 2026) for residential ESS systems in PSEG Long Island's service territory of storage capacity. <https://dps.ny.gov/distributed-generation-information>

⁶⁶ NYSEDA Retail and Residential Incentive Dashboard. <https://www.nyserda.ny.gov/All-Programs/Energy-Storage-Program/Developers-and-Contractors/Residential-and-Retail-Storage-Incentives/Residential-Dashboard>

⁶⁷ Note that the funding source for this program for the remainder of 2026 is currently pending a joint decision between PSEG Long Island and NYSEDA.

⁶⁸ NYSEDA's definition on Low- to Moderate-Income (LMI) and Disadvantaged Communities (DAC) will be used. See additional information on the definition of LMI and DAC: <https://www.nyserda.ny.gov/About/Publications/Evaluation-Reports/Low-to-Moderate-Income/LMI-Census-Population-Tool> and <https://www.nyserda.ny.gov/ny/disadvantaged-communities>

⁶⁹ NYSEDA Energy Storage Incentive Dashboard: <https://www.nyserda.ny.gov/All-Programs/Energy-Storage-Program/Developers-Contractors-and-Vendors/Retail-Incentive-Offer/Incentive-Dashboard>

⁷⁰ NYSEDA Incentives for Long Island Residents: <https://www.nyserda.ny.gov/All-Programs/Energy-Storage-Program/Solar-Plus-Energy-Storage/Incentives-for-Long-Island-Residents>

⁷¹ Climate Justice Working Group criteria for disadvantaged communities (DACs). <https://climate.ny.gov/resources/climate-justice-working-group/>

⁷² Analysis is based on publicly available information in the NYS Standardized Interconnection Requirements (SIR) Inventory (as of March 2026). <https://dps.ny.gov/distributed-generation-information>

⁷³ 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.

⁷⁴ Analysis is based on publicly available information in the NYS Standardized Interconnection Requirements (SIR) Inventory (as of March 2026). <https://dps.ny.gov/distributed-generation-information>

⁷⁵ 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.

⁷⁶ Note that Central Hudson and Orange & Rockland New York utilities serve far fewer electric customers than other New York State utilities.

⁷⁷ Approximation based on latest available data.

⁷⁸ Value reflected as of Q1 2026, based on latest data availability (as of March 2026). https://data.ny.gov/Energy-Environment/Statewide-Distributed-Solar-Projects-Beginning-200/wgsj-jt5f/about_data

⁷⁹ Average of added commercial solar PV capacity installed for 2021 – 2025.

⁸⁰ Average of added residential solar PV rooftop solar capacity (name plate) installed for 2020 – 2025, largely driven by the federal ITC.

⁸¹ Source: Long Island Association Energy & Environmental Committee Presentation (November 2025).

⁸² New York State Department of Environmental Conservation. https://www.dec.ny.gov/docs/administration_pdf/ghgsumrpt22.pdf

⁸³ New York Advanced Clean Car Regulation. <https://www.nyserda.ny.gov/About/Newsroom/2022-Announcements/2022-12-29-DEC-Announces-Adoption-of-Advanced-Clean-Cars-II>

⁸⁴ Senate Bill S9006C. <https://legislation.nysenate.gov/pdf/bills/2025/S9006C>

⁸⁵ New York Advanced Clean Trucks Regulation. <https://www.governor.ny.gov/news/governor-hochul-announces-adoption-regulation-transition-zero-emission-trucks>

⁸⁶ The budgetary values presented in this table are rounded to the hundredths decimal place.



- ⁸⁷ Additional details on the Fleet Advisory Service can be found in the 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>, and information on how to participate is available on the PSEG Long Island Website: <https://www.psegliny.com/saveenergyandmoney/greenenergy/ev/fleetowners/fleetservices>
- ⁸⁸ The budgetary values presented in this table are rounded to the hundredths decimal place.
- ⁸⁹ The Fleet Make Ready Program defines a fleet 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. This program is also designed to be technology-agnostic, and supports L2, DCFC, and other electric vehicle infrastructure.
- ⁹⁰ More details on Make Ready Program application and eligibility are available on the PSEG Long Island Website: <https://www.psegliny.com/en/saveenergyandmoney/GreenEnergy/EV/FleetOwners/FleetMR>
- ⁹¹ A nominal portion of the Capital Forecasts for 2026-2028 are attributed to Capital Expenditure for external (Engineering Consultant) Utility 2.0 PMO support for the Make Ready Programs.
- ⁹² The budgetary values presented in this table are rounded to the hundredths decimal place.
- ⁹³ In transitioning to a dollar-per-port model in 2026, the Fleet Make Ready Program has established port forecasts beginning for the year 2027, while the 2026 forecast remains in terms of projects with a target of 20 total.
- 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/Common/ViewDoc.aspx?DocRefId=%7b6238DD07-3974-4C4E-9201-3E339E311916%7d&DocTitle=Order%20Establishing%20Electric%20Vehicle%20Infrastructure%20Make-Ready%20Program%20and%20Other%20Programs>
- ⁹⁵ Case 18-E-0138 Proceeding on Motion of the Commission Regarding Electric Vehicle Supply Equipment and Infrastructure, Order Denying Petition and Making Other Findings (issued 3/23/2026). <https://documents.dps.ny.gov/public/Common/ViewDoc.aspx?DocRefId=%7b90101C9D-0000-CE2A-9FAB-09F4D579127F%7d&DocTitle=Order%20Denying%20Petition%20and%20Making%20Other%20Findings>
- ⁹⁶ Case 18-E-0138 Proceeding on Motion of the Commission Regarding Electric Vehicle Supply Equipment and Infrastructure, Order Denying Petition and Making Other Findings (issued 3/23/2026). <https://documents.dps.ny.gov/public/Common/ViewDoc.aspx?DocRefId=%7b90101C9D-0000-CE2A-9FAB-09F4D579127F%7d&DocTitle=Order%20Denying%20Petition%20and%20Making%20Other%20Findings>
- ⁹⁷ The KPIs and Program Benefits shown in **Table 3-11**Table 3-11 and **Figure 3-3**, respectively, for the EV Make Ready Program were corrected to reflect the corrected Pre-Approved and Energized L2 Port Count in 2022.
- ⁹⁸ Percentage Realized is based on BCA Target.
- ⁹⁹ A nominal portion of the Capital Forecasts for 2026-2028 are attributed to Capital Expenditure for external (Engineering Consultant) Utility 2.0 PMO support for the Make Ready Programs.
- ¹⁰⁰ The budgetary values presented in this table are rounded to the hundredths decimal place.
- ¹⁰¹ Gabel Forecast estimated EV adoption based on market conditions and historical trends to develop more accurate port targets.
- ¹⁰² The 2026 EVs on the Road forecast by DSA estimated EV adoption based on market conditions and historical trends to develop more accurate port targets.
- ¹⁰³ EVI-Pro Lite projects consumer demand for EV charging infrastructure. Some assumptions PSEG Long Island utilized include 77% at-home charging, default values from tool to estimate share of vehicle type (ex. Sedans versus SUVs) and engine type (PHEVs versus EVs), and third-party consultant industry insights. <https://afdc.energy.gov/evi-x-toolbox#/evi-pro-ports>
- ¹⁰⁴ Even though the program is intended to end in 2030, some projects may spillover into 2031.
- ¹⁰⁵ The 2022 L2 port count was updated from 87 to 81 based on the most up-to-date information in the PSEG Long Island Internal EV Make Ready Program Database as of August 15, 2024, which is reflected in this table. The 2031 L2 port count was also updated due to a previous addition error in the original table and was reduced to 2,311 so that the total number of L2 ports would still be 13,652 (consistent with the pre-approved total port count). Supporting documentation provided on July 1, 2024, will differ slightly from the updated forecast presented here.
- ¹⁰⁶ Table values may not add to total value due to rounding.



¹⁰⁷ See additional detail on PSEG Long Island's website:

<https://www.psegliny.com/en/saveenergyandmoney/GreenEnergy/EV/MakeReady>

¹⁰⁸ Examples of Energy-Star Rated L2 chargers can be found here: <https://www.energystar.gov/productfinder/product/certified-evse/results>

¹⁰⁹ The EPRI Vetted Product List can be found here: <https://www.epri.com/vpl>

¹¹⁰ See the Residential Charger Rebate webpage on the PSEG Long Island website for more information regarding program eligibility and incentive levels:

<https://www.psegliny.com/saveenergyandmoney/GreenEnergy/EV/ResidentialCustomers/ChargerRebate>

¹¹¹ The budgetary values presented in this table are rounded to the hundredths decimal place.

¹¹² CASE 22-E-0236 – Proceeding to Establish Alternatives to Traditional Demand-Based Rate Structures for Commercial Electric Vehicle Charging. January 19, 2023.

¹¹³ The budgetary values presented in this table are rounded to the hundredths decimal place.

¹¹⁴ A nominal portion of the Capital Forecasts for 2026-2028 are attributed to Capital Expenditure for external (Engineering Consultant) Utility 2.0 PMO support for the EV Phase-In Rate Program.

¹¹⁵ The budgetary values presented in this table are rounded to the hundredths decimal place.

¹¹⁶ The budgetary values presented in this table are rounded to the hundredths decimal place.

¹¹⁷ NYSEDA Carbon Neutral Buildings Roadmap: Achieving a carbon neutral building stock in New York State by 2050.

¹¹⁸ 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

¹¹⁹ 2022 New York State of the State Book

¹²⁰ New Efficiency: New York Order. <https://www.nyserda.ny.gov/About/Publications/New-Efficiency>

¹²¹ Order authorizing Low- to Moderate-Income (LMI) Energy Efficiency and Building Electrification Portfolio for 2026-2030 (25-M-0249). <https://documents.dps.ny.gov/public/Common/ViewDoc.aspx?DocRefId=%7b9028D596-0000-CBAA-80CE-FD406DF75EB1%7d>

¹²² Order Authorizing Non-Low- to Moderate-Income (Non-LMI) Energy Efficiency and Building Electrification Portfolio for 2026-2030 (25-M-0248). <https://documents.dps.ny.gov/public/Common/ViewDoc.aspx?DocRefId=%7bF05AD596-0000-CB2A-93BA-002A02C52FA4%7d>

¹²³ 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.

¹²⁴ According to the outputs of the NYSEDA BEEM analysis, Long Island's service territory is expected to yield a target of 67,769 dwellings with heat pumps by 2030.

¹²⁵ Subject to change if there are any budgetary changes in the future.

¹²⁶ MOTD is calculated based upon PSEG Long Island's interpretation of the methodology presented in the May 2025 Orders.

¹²⁷ This spending does not reflect investment to be made in DACs.

¹²⁸ The budgetary values presented in this table are rounded to the hundredths decimal place.

¹²⁹ PSEG Long Island does not claim any savings from energy assessments. In addition, home energy assessments are administered as part of the Implementation Contract.

¹³⁰ Savings are reflected as 'TBD' and final implementation design will be determined once the NYS guidance is released.

¹³¹ Program budget (\$M) includes both budget request for BEE incentives and rebates as well as a calculated adder for services to support the implementation of BEE programs.

¹³² The miscellaneous budget is allocated for General and Administrative (G&A) expenses which can include professional memberships, association fees, training and/or travel related to professional development.

¹³³ The budgetary values presented in this table are rounded to the hundredths decimal place.

¹³⁴ The budgetary values presented in this table are rounded to the hundredths decimal place.

¹³⁵ The Residential Income-qualified program is administered as part of the Implementation Contract.



- ¹³⁶ The budgetary values presented in this table are rounded to the hundredths decimal place.
- ¹³⁷ JD Power 2025 Sustainability Index <https://www.jdpower.com/business/press-releases/2025-sustainability-index>
- ¹³⁸ Long Island Regional Clean EnergyHub <https://www.lismartenergychoices.org/>
- ¹³⁹ Order Authorizing Non-Low- to Moderate-Income (Non-LMI) Energy Efficiency and Building Electrification Portfolio for 2026-2030 (25-M-0248). <https://documents.dps.ny.gov/public/Common/ViewDoc.aspx?DocRefId=%7bF05AD596-0000-CB2A-93BA-002A02C52FA4%7d>
- ¹⁴⁰ BCA was not performed on the Residential Building Envelope program at this time since PSEG Long Island is awaiting state guidance on minimum weatherization requirements.
- ¹⁴¹ NYSEDA LMI Glossary defines Low and Moderate Income. <https://www.nyserda.ny.gov/-/media/Project/Nyserda/Files/Programs/LMI/LMI-glossary-2018-2022.pdf>
- ¹⁴² Note that PSEG Long Island does not allocate any budget for the vouchers as the REAP program is administered as part of the Implementation Service Fee.
- ¹⁴³ The EE/BE Order classified light bulbs as a non-strategic measure that may continue in limited applications through 2027. After 2027, LED bulbs will be phased out.
- ¹⁴⁴ PSEG Long Island has allocated the overall Rebates/Incentives budget for the Residential Building Envelope program. The measure requirements for the "Weatherized" tier and the minimum requirements will be finalized when the NYS guidance becomes available.
- ¹⁴⁵ Ground Source Heat Pump desuperheaters reflect number of units and not number of dwellings.
- ¹⁴⁶ The budget for the Commercial Efficient Products includes budget for the Commercial Water Heating Program.
- ¹⁴⁷ PSC Order 20-M-0082.
<https://www.google.com/url?sa=t&rct=j&q=&esrc=s&source=web&cd=&ved=2ahUKEwj4pJaX8JaUAxWerIkEHeozLUQQFnoECBUQAQ&url=https%3A%2F%2Fdocuments.dps.ny.gov%2Fpublic%2FCommon%2FViewDoc.aspx%3FDocRefId%3D%257B43298F6A-3CA4-435F-BC9D-6DEF6F575836%257D&usq=AOvVaw2vxyl7SfqEAut6jFdTkY2&opi=89978449>
- ¹⁴⁸ A nominal portion of the Capital Forecasts for 2026-2028 are attributed to Capital Expenditure for external (Engineering Consultant) Utility 2.0 PMO support for the IEDR Platform.
- ¹⁴⁹ The budgetary values presented in this table are rounded to the hundredths decimal place.
- ¹⁵⁰ The budgetary values presented in this table are rounded to the hundredths decimal place.
- ¹⁵¹ A nominal portion of the Capital Request for 2027 is attributed to Capital Expenditure for external (Engineering Consultant) Utility 2.0 Project Management Office (PMO) Support for the Make Ready Programs, EV Programs, and IEDR Platform.
- ¹⁵² The BEE Portfolio as well as the Special Projects and PMO budgets are not a part of this 2027 Utility 2.0 budget request. The BEE Portfolio budget is summarized in **Chapter 5** and the Special Projects and PMO budgets (including associated labor – O&M) are a part of the overall core PSEG Long Island Operating budget.
- ¹⁵³ The 2027 Transportation Electrification 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.
- ¹⁵⁴ The Total Utility 2.0 budget reflects budget to support direct implementation and management of the Utility 2.0 initiatives and is not encompassing of all EE / RE Departmental costs.
- ¹⁵⁵ The budgetary values presented in this table are rounded to the hundredths decimal place.
- ¹⁵⁶ The budgetary values presented in this table are rounded to the hundredths decimal place.
- ¹⁵⁷ Residential rate impacts are rounded to the nearest hundredths place.
- ¹⁵⁸ EV Programs include the DCFC Program, Residential Charger Rebate Program, and EV Phase-In Rate.
- ¹⁵⁹ Make Ready Programs include the EV Make Ready and the Fleet Make Ready Program.
- ¹⁶⁰ DLM Tariff and Demand Flexibility Programs only forecast budget out one year at a time as it is highly dependent on the enrollment and participation of the previous year. To avoid deflating rate impacts in 2028, the 2028 forecast was assumed to be consistent with the 2027 budget request.
- ¹⁶¹ Commercial rate impacts are rounded to the nearest hundredths place.



¹⁶² EV Programs include the DCFC Program, Residential Charger Rebate Program, and EV Phase-In Rate.

¹⁶³ Make Ready Programs include the EV Make Ready and the Fleet Make Ready Program.

¹⁶⁴ Make Ready Program bill impacts for commercial customers are based on the projected incremental EVs attributable to the Program for 2027 and 2028, including the associated forecasted electricity usage and resulting revenues used in the rate impact analysis.

¹⁶⁵ The forecasted 2028 budget for the DLM Tariff and Demand Flexibility Programs is not available, as it is highly dependent on prior-year enrollment and participation levels. To avoid understating rate impacts in 2028, the forecast assumes consistency with the 2027 budget request.

¹⁶⁶ *BCA Order*: Case 14-M-0101, Order Establishing the Benefit Cost Analysis Framework (issued January 21, 2016). NYSDPS-DMM: Matter Master: <https://documents.dps.ny.gov/public/MatterManagement/CaseMaster.aspx?MatterCaseNo=14-m-0101>

¹⁶⁷ 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.

¹⁶⁸ 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>

¹⁶⁹ 2024 Annual Electric Service Reliability Report. <b0056597-0000-c149-a13c-fca9758f4d01.pdf>

¹⁷⁰ 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=2ahUKEwi9qsOV0PyNAXVZ38kDHYuGBOoQFnoECBkQAQ&url=https%3A%2F%2Fwww.lipower.org%2Fwp-content%2Fuploads%2F2025%2F02%2F2024-Utility-2.0-Filing-and-EE-Plan_Version-2.pdf&usq=AOvVaw1cAG2V9-VgQlkJSics8Lun&opi=89978449

¹⁷¹ *BCA Order*, pg. 13.

¹⁷² *BCA Order*, pg. 24

¹⁷³ Make Ready Program EV forecasts used in the updated BCA are based on the projected cumulative number of EVs on the road for Long Island, which were estimated based on EV adoption, market conditions, and historical trends.

¹⁷⁴ 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>

¹⁷⁵ See First A&R OSA and Second A&R OSA. <https://www.lipower.org/wp-content/uploads/2016/10/OSA.pdf> and <https://www.google.com/url?sa=t&rct=j&q=&esrc=s&source=web&cd=&ved=2ahUKEwjxrKuGjdeHAXW6rokEH9tMEQFnoECBoQAQ&url=https%3A%2F%2Fwww.lipower.org%2Fwp-content%2Fuploads%2F2021%2F11%2F2nd-AR-OSA-Nov-09-2021-1.pdf&usq=AOvVaw1EwKfrJn-n05e4duPpdUV0&opi=89978449>