

# New York Policy & Incentives Highlights



**Disclaimer:** Not a comprehensive summary of the policies and incentives applicable in the state. Visit [www.dsireusa.org](http://www.dsireusa.org) or local utility websites for additional programs and details.

## Definitions

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

## Current Commercial Policy Trends

- Member of the [U.S. Climate Alliance](#); local policies typically support these interests
- Recently passed [Advanced Building Codes, Appliance and Equipment Efficiency Standards Act of 2022](#) bolsters New York’s regulatory support for energy efficiency and GHG reduction strategies in buildings along with expanded appliance standards. Status: NYSERDA currently developing new water and energy standards for equipment, more information anticipated after Q2 2023.
- New York is a member of the [Regional Greenhouse Gas Initiative \(RGGI\)](#), a cap-and-trade program aimed at reducing CO<sub>2</sub> emissions and limiting emissions allowances from the power sector. Members levy local policies and investments to support RGGI’s goal of reducing emissions by 30% by 2030 (2020 baseline).
- The state’s [Climate Action Council Scoping Plan](#) finalized in 2022 recommends:
  - Adoption of heat pumps, controls, and whole building energy efficiency as critical decarbonization priorities. Explicitly promotes goal of electrifying 10-20% of commercial buildings by 2030, and 85% of all buildings by 2025.
  - [State considering statewide phase out of natural gas \(and other fossil fuel\) hookups in new buildings as early as 1/1/2026](#)
  - Introducing energy benchmarking for commercial buildings
  - Incentives for low-GWP refrigerant HVAC technologies
  - GHG emissions registry and reporting system—requiring industrial facilities to report GHGe
  - Gov. Hochul’s FY2024 budget includes allocations for the first three recommendations above
- [Utility Thermal Energy Network and Jobs Act 2022](#)
  - Removes legal barriers to utilities development of thermal energy networks
  - Mandates adherence to the [CLCPA](#) emissions reductions requirements for pilots
- City highlights:
  - Ithaca’s [Green New Deal](#) sets a target to achieve carbon neutrality by 2030, adopt a green building code for both new construction and GHG emissions reduction in existing buildings.
  - Rochester’s [Climate Action Plan](#) established a GHG reduction goals 40% below 2010 levels by 2030.
  - New York City aims to reduce GHG emissions from covered buildings 40% by 2030 and to reduce citywide GHG emissions 80% by 2050.
    - [Local Law 97](#) - Limits GHG emissions for existing buildings >25k sqft.
    - [Local Law 133 of 2016](#) - Energy benchmarking required for buildings >25k sqft. Annual energy and water consumption must be submitted every year on May 1st through ENERGY STAR Portfolio Manager.
    - [Local Law 134 of 2016](#) - Requires some commercial buildings to upgrade lighting to meet current NYC Energy Conservation Code standards (compliance must be by or prior to 1/1/2025).
    - [Local Law 154 of 2021](#) - Prohibits on-site fuel-combustion of fuels that emit more than 25kg CO<sub>2</sub>/MMBTU
      - New Buildings under 7 stories beginning January 1, 2024
      - New Buildings over 7 stories beginning July 1, 2027

## Notable Commercial Building Energy Codes (for New Construction)

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

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

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

## Available Financial Incentives and Guidance

The information below is provided by NYSERDA and the links will help you identify and evaluate programs across the state.

### New Construction and Renovations Programs & Incentives

Support for developing energy-efficient buildings and spaces. If you do not see a program related to an energy upgrade you would like to make, contact your utility provider. Many utilities offer custom energy efficiency programs and incentives.

[New Construction and Renovations Programs and Incentives - NYSERDA](#)

### Lighting and Controls Programs & Incentives

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

### Consulting and Engineering Services

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

[Consulting and Engineering Services - NYSERDA](#)

### Heating, Cooling, and Ventilation Programs & Incentives

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

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

### Building Operations and Performance Programs & Incentives

Support for adopting building performance systems—meters, controls, smart thermostats, smart building technologies, and more. If you do not see a program related to an energy upgrade you would like to make, contact your utility provider. Many utilities offer custom energy efficiency programs and incentives.

[Building Operations & Performance Programs & Incentives - NYSERDA](#)

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