



February 5, 2026

The Honorable Kathy Hochul
Governor of the State of New York
Executive Chamber
NYS State Capitol Building
Albany, NY 12224

Subject: NYSERDA Surplus Unspent Funds

Dear Governor Hochul:

We are reaching out regarding billions of dollars of unspent ratepayer funds sitting in the coffers of the New York State Energy and Research Development Authority (NYSERDA), which we believe could be returned immediately to utility ratepayers to provide instant financial relief.

The 2025 fiscal year budget and financial plan for NYSERDA indicates that NYSERDA has a surplus of \$2,045,024,000. Senate Finance Ranker Tom O'Mara, at the recent Joint Budget hearing on Energy and Environmental Conservation, urged NYSERDA President Doreen Harris to return these unspent funds to ratepayers as a bill credit. These bill credits would provide relief to overburdened ratepayers who were required to contribute these surplus funds in their utility bills.

At the budget hearing, when President Harris was questioned about the \$2 billion surplus, she advised Senator O'Mara that NYSERDA programs often unfold over multiple years and that the unspent funds were committed for future needs. The budget and financial plan shows surpluses of \$2 billion dollars being carried over until 2028. This situation coupled with the fact that the collection of funding for the Climate Leadership and Community Protection Act (CLCPA) continues at least until 2036, provides a source of funding to continue to support future spending by NYSERDA. No state agency or public authority has this amount of unspent funds being carried forward, particularly since it has a continuing revenue mechanism to fund its future expenses.

Ratepayers have provided the bulk of the funding required for the implementation of the CLCPA, which encompasses not only the modernization of the grid but also building and transportation electrification. The NYSERDA budget shows significant future surcharge increases

and declining state funding contributions. The increasing arrears numbers, which now total \$1.8 billion, demonstrate the financial strain on ratepayers.

Page 2 of a July 2024 Comptroller's Report on the Clean Energy Fund states: "through 2023 NYSERDA spending on CEF programs has totaled \$3.4 billion, lagging collections by approximately \$1 billion." The situation pointed out by the Comptroller has exacerbated.

There is no sound rationale for leaving these off-budget surplus funds unused rather than returning them to ratepayers as a utility bill credit. This relief is particularly timely given the increased supply costs driven by the current bout of frigid weather. Returning these unspent funds would provide short-term assistance but does not resolve the long-term problem of increasing rates.

We urge you to support our conference's approach to providing real relief to New Yorkers caught in an affordability crisis. This action does not have an impact on the financial ability to make further investments.

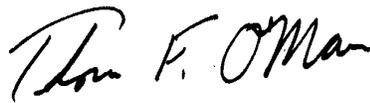
Sincerely,



Robert G. Ort
Senate Minority Leader
62nd District



Senator Mario Mattera
Ranker, Energy Committee
2nd District



Senator Tom O'Mara
Member, Energy Committee
53rd District



Senator Mark Walczyk
Member, Energy Committee
49th District