



Karen E. Gordon
Executive Director

Commission on Economic Opportunity

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For the Greater Capital Region, Inc.

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March 2, 2005

NYS Public Service Commission
Attn: Jaclyn Brillling, Secretary
3 Empire State Plaza
Albany, NY 12223-1350

RE: Case 05-M-0090 – In the matter of the System Benefits Charge III

Dear Ms. Brillling:

The Commission on Economic Opportunity (CEO) is writing in response to the request for commentary regarding the future of System Benefits Charge (SBC) programs. CEO's Housing Division administers several of the NYSERDA programs including; Home Performance with Energy Star® (HP), Assisted Home Performance with Energy Star® (AHP), Weatherization Network Initiative (WNI), and EmPower NY. Through these programs we are able to provide energy saving measures to homes throughout the capital district.

Question 1 relates to the achievement of the goals set forth by SBC. Through the WNI and EmPower NY programs, CEO has been able to provide energy efficient refrigerators to homes that were previously weatherized and electrical reduction measures to Niagra Mohawk and New York State Gas and Electric customers. Further, through the AHP/HP programs we have been able to conduct full energy audits and provide measures, such as insulation, to customers making their homes more energy efficient. Without the SBC funding these achievements could not have been accomplished.

In response to question 2, the SBC programs should continue beyond the 2006 completion date. The benefits from these programs are self evident. A 5 year, \$150 million allocation should be considered a pilot program for a long term program addressing the needs of energy conservation. More funding should be allocated to research and development to help slow down and curtail the depleting energy resources.

Question 3 requests recommendations for changes to enhance the goals and objectives of the SBC. During the course of SBC's existence, the programs that are currently available have benefited many homes requiring assistance. However, the funding collection and allocations should be expanded on to target those individuals and families that have needs which cannot be addressed through the weatherization Assistance Program.

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| Early Head Start/Head Start | Family Development Services | WIC | Family & Children's Service | Community Connections |
| Employment Support Services | Teenage Opportunity Program | Food Pantry | Weatherization Assistance | YouthBuild |
| Weatherite Housing & Energy Services | Assisted Home Performance | Day Care | Youth Development Initiative | Housing Rehabilitation |
| Home Performance with Energy Star | Foster Grandparent Pray-am | HOME | Supplemental Homelessness | Step Ahead |
| Building Performance Institute Contracting | | | Intervention Program | Children's Center |



Question 6 address improvements to the SBC collection and allocation process. Currently, the SBC funding is collected from electric customers only. Seeking funding from gas customers as well will provide additional funding for the programs. Should this happen, rather than combining the funding with that received from electric customers the gas funding should remain as a separate entity. Electric services are available to a much broader population than natural gas services. By isolating the funding from the gas customers it will enable more targeted areas to help ensure that the gas customers receive the funding necessary to address energy issues in their homes.

As energy resources become less available and the cost to receive those resources increases our customers will require additional assistance to reduce their energy consumption and the agencies administering these programs will require additional funding to provide those customers with the energy efficient measures they need. Without the energy reduction measures, the cost of energy usage will only continue to increase.

With reference to question 9, marketing should be focused on the eligibility criteria and who can benefit from these programs. An education tool could be employed to stress the long term goals of the programs involved. It is important to stress the need of renewable forms of energy and the role they can play in dealing with the current emphasis on fossil fuels.

Responding to both questions 4 and 7, no program should be eliminated. We have seen positive results directly related to the implementation of the existing programs. The creation of new programs and the expansion of the current programs should be prioritized. Perhaps an emphasis on energy conservation measures in the construction of new homes could be researched.

The current emphasis on the training programs offered by the Building Performance Institute(BPI) and the importance these trainings have had on the success of these programs has also proven to be a vital tool when addressing energy issues relating to the home.

Through the programs currently offered by CEO's Housing Division, we have seen an increase in customer interest regarding energy conservation. In consideration of all of the energy related issues confronting our customers it is only in CEO's best interest to support the continuation of SBC's efforts to provide funding to energy related programs.

Sincerely,



Karen E. Gordon
Executive Director