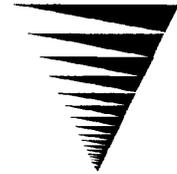


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H&W Management Science Consultants

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Division of H&W SYSTEMS INC.
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February 25, 2005

Ms. Jaclyn A. Brillling
Secretary
New York State Public Service Commission
3 Empire State Plaza
Albany, NY 12223-1350

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Subject: SBC III Comments and Response to PSC Questions

Dear Ms. Brillling:

I understand the PSC is evaluating the future of the Systems Benefit Charge (SBC) program. Over the past 5 years, this has been a vital program for H&W and its clients in project work with NYSERDA and NYC ITAC.

Since 2000, the SBC program has helped fund a CHP system at a NYC textile dyer, MAPS assessments in the cosmetics, pharmaceutical, ink, food, and other chemical industries in NYC and the lower Hudson Valley. This has led to full scale-MAPS demonstration projects that have significant peak shaving/shifting benefits at NY State companies that do energy-intensive mixing and milling. In fact, 100 kW or more of peak load can be shifted at each of these plants by employing innovative optical analyzers and PLC controls that determine mixing end-point.. Combined with a novel energy-efficient mixing/milling technology developed with NYSERDA support, process times can be cut by more than 50% resulting in potential savings of millions of kWh across NYS. H&W, as a NY consulting engineering company, has benefited by being able to participate in these worthwhile projects.

With continued SBC funding, H&W could do more NYS MAPS projects and extend the peak shaving benefits reaped in the past to many others in NYS. If additional monies were available for these innovative demonstrations, many NY companies in the chemical process industries could greatly benefit.

Very truly yours,

H&W Management Science Consultants
(Div. of H&W Systems, Inc.)

Henry C. Weber
President