



March 2, 2005

Responses from Patrice Courtney and Jessica Barry, Mid-Hudson Energy Smart Communities

Re: Case 05-M-0090 - In the Matter of the System Benefits Charge III.

1. To what extent have the goals and objectives set by the Commission been achieved?

The PSC's public policy goals were to:

- (1) Improve system-wide reliability and increase peak electricity reductions through end-user efficiency actions;
- (2) Improve energy efficiency and access to energy options for underserved customers;
- (3) Reduce the environmental impacts of energy production and use; and (4) Facilitate competition in the electricity markets to benefit end-users.

With regard to (2), the access to energy options for underserved customers has been improved by the Energy Smart program's emphasis on low and middle-income homeowners as well as small businesses. Typically, these groups are so busy trying to make ends meet that often they are not fully aware of issues related to energy policy, such as the need for peak load reduction or the existence of newer technologies in lighting, heating and cooling. But now, when they receive an electric, gas or oil bill that has increased dramatically, they have somewhere to call and someone who can present them with options for addressing their concerns. The Assisted Home Performance program, in particular, can make a great difference in the lives of lower income homeowners, especially senior citizens, who would be unable to purchase new heating and cooling equipment on their own.

2. Should the SBC program continue beyond its current expiration date of June 30, 2006? If so, for what duration should the SBC be extended and at what funding level?

Yes, SBC should continue for another 5 years at \$150 million per year.

3. Have conditions changed since the establishment of the SBC that would necessitate a change in the overall goals and objectives of the SBC? If so, what changes are recommended?

Conditions have definitely changed. Energy prices have risen, in some cases dramatically, spurring interest in energy conservation measures. This validates the goals and objectives of the SBC.

5. How might the SBC programs be adjusted given the Commission's order, issued September 24, 2004, regarding a Renewable Portfolio Standard (Case No. 03-E-0188)?

***3 Field Court
Kingston, NY 12401
845/331-2238 Fax: 845/331-2486
midhudsonesc@verizon.net***



Mid-Hudson Energy Smart Communities

SBC should not be decreased due to the goals of the Renewable Portfolio Standard. RPS should incur a separate charge. Energy-efficiency represents the largest opportunity for reducing energy use and environmental impacts, as well as improving the economy.

7. What specific programs should be eliminated, expanded or created?

Expand Energy Smart Communities

This outreach program has been an excellent way to inform and educate the public about the environmental and economic benefits of energy efficiency as well as the funding opportunities of NYSERDA. Now that the ESC coordinators have established a strong network of partners in their respective regions, it would be beneficial to build upon the successes of their outreach efforts. Most ESC coordinators have nine counties to cover, which effectively means that they cannot reach all of them in a meaningful way. Adding field staff would directly impact the number of households, businesses and institutions reached. Another excellent way to increase the efficacy of the programs is to require coordinators to network effectively with other state and local government program managers. For example, in Ulster and Sullivan counties, the coordinator meets regularly with a team of business service providers, from NYS Department of Labor, BOCES, the SUNY system, the Chamber of Commerce, etc. and this has exponentially increased the number of customers reached. Another effective way to increase the reach of Energy Smart Communities is to encourage coordinators to host energy technology seminars as a means of touching many more end users than can be reached by simply responding to inquiries. Again, the most effective seminars are done in conjunction with local partners such as chambers, municipalities, colleges, etc.

A more effective system should be developed for tracking projects and capturing metrics. This will require an investment of time and resources.

Expand Home Performance with Energy Star

Home Performance is an excellent program that represents the latest advances in building science, and homeowners are demanding this program more than ever. However, the number one problem we have promoting this program is the lack of BPI-certified contractors. Homeowners, especially low-income, have been hit hard with recent surges in energy prices, and consequently, are very interested in Home Performance. Thus, the need to have more trained BPI professionals cannot be overemphasized.

Below are some suggestions for improving Home Performance



Mid-Hudson Energy Smart Communities

- a) To increase the number of BPI contractors, target young professionals who are about to start a career in this field, i.e. trade schools and community colleges.
- b) Have more detailed information on the website about the contractor. Is he/she specialized in heating or cooling? Does he/she perform energy audits? Is he/she active in the program or not? Does he/she target low-income?
- c) Create a mechanism to compare price quotes between contractors.
- d) Link the BPI trainees to the Energy Smart Communities coordinators in a formal way, because the coordinators receive leads every day that would help the BPI-trained contractors get and keep their businesses up and running.

Create Mixed-Use/Small Multi-Family Buildings Program

There is currently no program available to serve this building sector. Yet, it is the primary building type in Main Street areas, which otherwise lend themselves to becoming Energy Target Zones because of the aging infrastructure of most buildings.

Create Green Buildings Residential Program

Currently, Energy Star New Homes is a program for builders to build homes 30% more energy-efficient than code. However, the building industry is continually changing. Upstate New York is facing tremendous development pressure, which presents an opportunity to encourage the building industry to move to the next level. The program should be consistent with LEED residential guidelines.

8. How can future SBC funded programs be more responsive to the needs of New York's energy consumers?

Outreach efforts are important to informing and education the public. NYSERDA could utilize the outreach program Energy Smart Communities more effectively. For example, program managers at NYSERDA outside of REAP tend not to be aware of the goals and accomplishments of Energy Smart Communities. Yet the coordinators are in the field daily, dealing with customers.

11. Is the current NYSERDA program evaluation process adequate? How might it be improved?

The current NYSERDA evaluation process could be improved to more accurately capture market transformation impacts, environmental benefits, and the creation of jobs.

13. Should the scope of the SBC program be expanded to include programs for natural gas customers?

Yes.



If so:

- a. What kinds of programs would benefit New York's gas customers? **Programs that target commercial and residential sectors.**
- b. Which classes of customers would be served most effectively by a natural gas SBC program? **Low-income homeowners and businesses.**
- c. How should a natural gas SBC program be funded and what annual level of funding might be considered reasonable? How might a natural gas SBC affect current electric SBC funding levels? **The program should be funded 50% for low-income customers, 25% for residential, and 25% commercial. A natural gas SBC should not affect the funding levels of the electric SBC.**
- d. What should be the initial duration of a natural gas SBC, and should that term coincide with the extension of an electric SBC, if the electric SBC is extended? **The natural gas SBC should exist for a 5-year term and should coincide with the duration of the electric SBC. However, the existing SBC-funded programs should not be interrupted or delayed while the natural gas program is being developed and implemented.**
- e. How might a natural gas SBC be administered and evaluated and how should it differ from the administration of the electric SBC? **Evaluation and administration of the natural gas SBC should coincide seamlessly with the electric SBC.**