

CASE 05-M-0090 - In the Matter of the System Benefits Charge III.

Responses to Questions 1, 2, 7, 9, 10 from Richard Krause, High Tech Rochester and Lory Hedges, Rochester, New York

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

Response: To date, we have implemented 2 projects within the MAPS program. The two companies involved have received significant benefits – including new business, development of technology and some funds to do it. These companies are very happy – Induction Atmospheres and Magnum Shielding, located in Rochester, NY. A third MAPS project has been approved and is underway. There is significant benefit there also. These are small companies that would struggle with even a small investment. The ability to market these new technologies is also of value to them.

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?

Response: Yes, this program should continue. It is a valuable way to make improvements and give incentives to companies that can reduce the energy required to run their business.

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?
4. If assuming continuation of the SBC, how should programs be prioritized to meet those goals and objectives?
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)?
6. In what ways might the current SBC fund collection and allocation process be improved?
7. What specific program(s) should be eliminated, expanded or created?

Response: The MAPS program was wonderful program that we, in Rochester were just beginning to utilize. We had successfully applied for and received approval for 3 applications. The MAPS requires an applying company to understand and be in the right business cycle. Because of the deadline nature of this program, it was difficult to find companies in the right place of developing and implementing equipment. With a 2x per year submission requirement and a 3 month (and often more in actuality) approval cycle, several companies were not willing to wait. It was a matter of just being in the right time at the right place. Multiply that by the other responsibilities that we perform and the ability to apply this grant reduces yet again. Several of us have backgrounds in mfg. We understand that when a company needs to expand or invest in an R&D effort, it is often required by the market and not on someone else's schedule. This type of project is very different than a lighting project.

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

Response: The biggest comment here is the necessity of additional marketing. Many people we talk to have never heard of NYSERDA or an SBC charge. Part of our process is in basic education. Also many companies say they applied for a grant once or twice and never received one. Our experience has been quite different. It has been a pleasure to work with Bill Reinhardt. He has been available and helpful. We received guidance many times along the way.

The "Roadshow" that we attended in '04 was very valuable. Something like this or other avenues would be helpful. Other groups to educate on NYSERDA programs would be equipment vendors whose products or services could potentially save energy. Service organizations or consultants that are somehow involved also would be valuable to educate. They are out in the community and receive benefit when their services are used.

10. In what ways can NYSERDA improve its administration of the SBC?

Response: Find a way to work to the timelines on the PON's. A shorter timeline for review and approval would be helpful to the companies doing the projects.

11. Is the current NYSERDA program evaluation process adequate? How might it be improved?
12. Should SBC funds be extended to programs that encompass research and development into retail and/or wholesale electric market competitiveness issues, or transmission and/or distribution of the State's energy resources?
13. Should the scope of the SBC program be expanded to include programs for natural gas customers? If so:
 - a. What kinds of programs would benefit New York's gas consumers?
 - b. Which classes of customers would be served most effectively by a natural gas SBC program?
 - 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?
 - 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?
 - e. How might a natural gas SBC be administered and evaluated and how should it differ from the administration of the electric SBC?
14. Do you have any other suggestions for improving the overall SBC program that are not addressed by the above questions?

Those persons who are interested in receiving the comments of other parties should submit their contact information, including an e-mail address, for an Active Parties list by notifying the Secretary (at secretary@dps.state.ny.us) and also submitting a hard copy letter addressed to Jaclyn A. Brillling, Secretary, New York State Public Service Commission, 3 Empire State Plaza,

Albany, New York 12223-1350, by February 11, 2005. The list will be posted on the Commission's web site located at <http://www.dps.state.ny.us> after February 18, 2005. Electronic service to the parties is permitted provided that the original and 15 copies of the comments are filed with the Secretary on or before March 4, 2005. For ease of review, please respond by question number.

To facilitate distribution of the comments, an e-mail listserver has been set up. To subscribe, send an e-mail to sbc@dps.state.ny.us and type the word "subscribe" in the subject of the e-mail message. Full instructions on using the listserver will be provided in a response e-mail confirming your subscription.

(SIGNED) JACLYN A. BRILLING
Secretary