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October 18, 2005

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

Re: CASE-05-M-0090 – In the Matter of System Benefits Charge III – Comments on Staff Proposal

Dear Ms. Brillling:

Thank for the opportunity to comment on the System Benefits Charge III. Gerster Trane Energy Services has participated in the Energy Efficiency and R&D program categories since their inception. In helping our customers and NYSERDA meet their efficiency objectives, these programs have enabled our company close a considerable amount of business over the past 5 years.

Upon reviewing the Staff Proposal, I offer the following comments:

- **Incentive levels / structure:**
Gerster Trane Energy Services has had its greatest success in meeting NYSERDA's goal with the funding levels and structure in PONs 695 and 779. The demand bonus for air conditioning savings was particularly useful. Please consider having these programs funded at past levels.
- **Distributed generation funding:**
To date the distributed generation solicitations have been offered once a year on a competitive bid basis. Because of the amount of engineering involved, the cost to prepare and application for this program is very expensive. The added uncertainty of the project getting funded makes participation in this program difficult to justify. Please consider an offering with an open enrolment.
Incentives for distributed generation should be offered to minimize the fuel price risk that the owner takes.

I wholeheartedly endorse the 5 year extension of the SBC, and look forward to future participation.

Sincerely,

Peter J. Egloff
Energy Services Engineer



GERSTER TRANE