



NEW YORK STATE BUILDERS ASSOCIATION, INC.

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Ref: Case 05-M-0090 – Response to Staff Proposal dated August 30, 2005

Attached please find the original and 15 copies of the New York State Builders Association's comments to the Staff Proposal dated August 30, 2005 for CASE 05-M-0090 In the Matter of the System Benefits Charge III.

Thank you,

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DRAFT response to Case 05-M-0090

The New York State Builders Association (NYSBA) has represented the residential building community since 1950. Through its seventeen (17) affiliated local associations and its national organization affiliation, the National Association of Home Builders (NAHB), NYSBA advocates on behalf of its more than 3,600 members before any entity that affects the building industry. NYSBA strives to create a favorable business environment and enhance its members' ability to provide quality housing for all New Yorkers.

In response to Case 05-M-0090 – Staff Proposal dated August 30, 2005, NYSBA makes the following comments;

NYSBA believes that an extension of the SBC for a term of not less than eight (8) years would be appropriate and necessary to create certainty for long-term project planning and development. This term would allow the necessary time needed for market transformation programs to positively impact the market and create a sustainable and affordable supply of energy efficient homes, equipment and appliances.

It is NYSBA's opinion that an increase in overall program funding of thirty (30) to fifty (50) percent above the SBC II level is necessary to better align New York with expenditures made by other northeastern states and that funding for major program areas should be more accurately aligned with the funding amounts collected from the rate classes serviced by the particular program.

NYSBA believes that the administration of the Residential Multi-family New Construction Program should be separated from the Commercial Program administration and, along with the related funding, should be placed under the administration of the residential project managers. Housing starts in this market have increased 156% in the past year yet this market remains largely untapped. A more concerted effort should be made to better serve this growing market and the residential group is better positioned to perform that task. This group deals regularly with the housing market and better understands the requirements of the market and the needs of the participants. It is NYSBA's belief that this change would be beneficial to the growth of the program and allow for a more equitable distribution of funds and resources.