

**Comments of Intellidyne LLC regarding Fast Track Programs**

By Order in the above-mentioned Proceeding, the Administrative Law Judge asked all interested parties to file comments concerning fast track programs as well as the expansion of existing programs by October 15, 2007. As an active party to this Proceeding, Intellidyne LLC has a number of suggestions for improving the effectiveness of fast track programs that it wants all parties to consider.

By way of definition, Intellidyne presumes that fast track programs incorporate all successful programs already in operation as well as any new programs that could be developed and implemented as early as calendar year 2008. Intellidyne agrees that implementation of the fast track approach is crucial to the State reaching the ambitious goals established by the Governor. Early implementation of the fast track programs will jump start the State on the way towards meeting the established goal while all parties develop other strategies that cannot be implemented in the short run but which might be equally important in achievement of the final goals.

In discussing fast track programs, Intellidyne wishes to address three areas that we believe the Commission must consider in devising the most effective program possible. First, the Commission must adopt standards that will insure the full cooperation of all stakeholders, including utilities, in implementing energy efficiency programs. Second, the Commission must insure that those who are advising end-use customers are considering all demonstrated and successful strategies for reducing energy use. Third, the State of New York must "lead by example" by insuring that its own facilities, as well as those of County and local governments, are operating in the most energy efficient manner possible and are contributing to the achievement of the Governor's goal.

**Maximum Participation by all Parties**

To insure the maximum effectiveness of any program developed in this proceeding, it is critical that all stakeholders have the maximum incentive possible to see that those programs succeed. It is equally critical that all potential roadblocks to success are identified and addressed. The Commission is fortunate that the wide ranging talents and experience of the parties to this Proceeding offers realistic hope that any program that is developed has the maximum potential for success. In developing the final program, the real life experience that the parties bring to the table should be invaluable.

One issue that the Commission must address is how to insure that utilities play their proper role in implementing programs that are developed. Utilities have the potential to play a crucial role in any successful energy conservation program. No one else has the breadth and depth of knowledge about their customer base. They also enjoy a level of trust with their customers when it comes to discussing energy issues. Currently, there are a few, tentative utility programs designed to help end-users utilize energy most efficiently. By and large, the responsibility for those type of programs has been transferred from utilities to State Agencies, such as NYSERDA, who administer the Systems Benefit Charge. While NYSERDA has an important role to play in any Commission designed program, utilities must also be given an important, full-partnership role to play. Their full participation in the education and delivery of services to their customers is critical. The Commission must address any current rate design issues which provide utilities with a disincentive to fully participate in any energy conservation program. We know that the Commission is aware of this problem and is developing solutions, but they must send a signal to utilities that their participation in these fast track programs will not result in a revenue penalty being imposed.

We also recommend that the Commission include gas utilities in any fast track program they develop. All parties to this proceeding have suggested that gas savings be addressed equally and while no target goal for gas savings has yet been adopted, programs designed to help gas customers conserve are equally important and should be included.

### **Inclusion of all Effective Energy Reduction Strategies**

In developing a program that has the greatest potential to achieve the targeted reduction in energy use, the Commission must insure that all fast track programs include the most effective “state of the art” conservation measures on the market today. For example, Intellidyne, LLC is the market leading manufacturer of energy savings controls for commercial and residential heating, air conditioning and refrigeration applications. In business for over 10 years, Intellidyne’s controls have been installed in thousands of government, commercial and residential buildings. The controls are measurably reducing energy consumption, energy costs and pollution throughout the country. By design, all of our controls work with new or existing systems, are easily and non-invasively installed, won’t violate manufactures warranties, are UL listed and are totally maintenance free. They also come with a money-back guarantee of 10% savings in energy usage for each application.

In a recently concluded study commissioned by NYSERDA and carried out in conjunction with Brookhaven National Lab, the product performance of Intellidyne’s controls has been validated. The study documented an average heating fuel savings of 13% and a reduction in oil fired boiler pollution of as much as 47%. Copies of the NYSERDA study are available from either Intellidyne or NYSERDA.

To date, no NYS Agency or utility involved in current energy conservation programs have included Intellidyne controls in their program. In New England, KeySpan does utilize Intellidyne controls in their conservation program and, by all reports, has been happy with their results. We are currently reaching out to all end-use providers in New York to educate them about the savings potential of our controls.

While the Commission wants to capture all energy savings potentially in the marketplace, they should concentrate their efforts on those conservation techniques and products that provide customers with the largest cost/benefit return. Clearly, business and even residential customers are much more likely to invest in energy conservation if they can see a return on their investment in less than 2 to 3 years rather than 10 to 15 years. The goal should be to provide customer education and installation for those items deemed to be most cost effective.

### **Government Participation and Savings Potential**

In our experience, one of the markets that have the greatest potential for achieving energy savings is the government market. First and foremost, the State government must lead by example. The State of New York owns and operates a wide variety of buildings of varying efficiency and spends a large amount in the State budget to provide energy to those buildings. A reduction of 25% in operating costs would provide a significant pool of dollars to fund worthwhile State priorities. The Governor's credibility is seriously undermined if he sets ambitious conservation goals for New Yorkers but then fails to impose similar requirements on State Agencies. One step that we would propose for consideration is that the Governor designate one individual who would be responsible to him for achieving State government savings. The accountability of such a position would go a long way towards achieving the goals and eliminating the ability of Agencies to explain away their lack of success.

Second, in our discussions with County, Local and School Board officials, there is generally great interest expressed in reducing their energy budget. Unfortunately, the desire to save money often confronts a lack of budget dollars to invest in what everyone agrees would be a cost effective, energy savings project. The State must adopt programs that would provide government officials, at all levels, with the ability to invest in energy conservation and pollution reducing technology. We are aware of the program currently administered by the State Power Authority to help government entities make such investments. In planning the fast track programs, the Commission must insure that adequate funding is in place to meet the needs served by the Power Authority. We are also aware of the proposal advanced by the Dormitory Authority to expand its traditional bonding authority to meet the energy efficiency goals established in this proceeding. Their proposal is interesting and should be studied to determine if it offers the most cost effective means to deliver the energy conservation goals of this Proceeding.

## **Conclusion**

Intellidyne, LLC is please to provide these comments as the Commission considers various options for implementing a fast track program designed to jump start the State's achievement of the goals established in this proceeding. We have been impressed by the willingness of all parties to work in a collaborative manner to insure that the end product serves our common goal of reducing energy consumption, energy bills and greenhouse gasses.

Respectfully submitted,

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