

Pursuant to Judge Stein's September 13th Ruling Modifying Comment Schedule, the Long Island Power Authority (LIPA) hereby submits the following comments on the Fast Track Programs.

LIPA agrees with PSC Staff that there are highly cost effective energy efficiency programs currently operating in the State. LIPA suggests that it may be a better use of the significant resources assembled for Case 07-M-0548 to focus on longer term development of the 15x15 program rather than to develop and start new Fast Track programs. As the DPS Staff indicated in its Preliminary Proposal, many of the Fast Track suggestions "are expansions of programs already in place". We recommend that the Fast Track programs be just that. Many existing efficiency programs have had their ability to achieve far greater energy savings targets limited by spending. A simple way to move forward is to:

- Continue successful existing programs,
- Accelerate programs and increase funding where applicable, and
- Focus the first new program design efforts on un-served and underserved markets

This approach will free up the efforts of the assembled resources to focus on the enormous task of putting in place a synchronized portfolio of energy efficiency programs designed to harvest the deep savings required by the Governor's 15 x 15 target. Starting new Fast Track programs now may actually conflict with future programs requiring significant changes in program design or outright cancellation of Fast Track initiatives. This could result in market confusion and decreased participation at a time when

increased participation is mandatory. In summary, the considerable time and effort needed to review and act on suggestions for Fast Track could be better spent on collaboratively specifying the long-term approach to energy efficiency implementation in the State.

The DPS Staff Preliminary Proposal did not consider LIPA's contribution to the Fast Track program¹. LIPA currently is operating or is in the process of implementing energy efficiency initiatives in all but one Fast Track category: Large Apartment Buildings. Since this is not a common building type in LIPA's service territory, new and existing large buildings are covered under a combination of LIPA's other programs. LIPA sees the equivalent to the Fast Track program on Long Island being its current Clean Energy Initiative and the proposed Efficiency Long Island program.

Since 1999, LIPA has been implementing the Clean Energy Initiative. In response to the 2008 expiration of the Clean Energy Initiative, in 2005, LIPA began working on a successor set of initiatives tentatively called Efficiency Long Island or ELI. If approved by LIPA's Board of Trustees, ELI would be implemented in early 2009. When implemented, ELI's portfolio will cost effectively lower LIPA's electric energy requirements by 1,400 GWH, and summer peak load by 500 MW in the tenth year – three times the size of the Clean Energy Initiative. LIPA is also evaluating an expanded and accelerated ELI as part of LIPA's comprehensive 15x15 implementation plan. In

¹ New York Department of Public Service Staff Preliminary Proposal, p. 37: "Staff has not analyzed the potential for increased deployment of energy efficiency programs by the Long Island Power Authority (LIPA), the New York Power Authority (NYPA) or other entities which are not under the Commission's jurisdiction."

addition, LIPA will continue to work collaboratively to analyze and develop other cost effective resource options to meet the Governor's 15x15 goal.

In the collaborative process to date, work has almost exclusively focused on end-use efficiency measures. To effectively develop comprehensive 15x15 programs, Working Groups should expand their focus to include appliance efficiency standards, building codes, distribution and transmission efficiency, and other upstream efficiency measures.