

# New York Energy Efficiency Portfolio Standards

Active parties Overview

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# Public Energy Solutions, LLC

- Energy Services Company launched in 2002 as a spin-off from PSEG Energy Technologies of New Jersey
  - Focus on efficiency projects urban mid market commercial and high density residential properties
    - Lighting retrofits
    - Air conditioning upgrades
    - Limited demand response services to date
  - Current awardee of ConEd for 46 mW of Targeted Demand Reduction
    - Delivery 2006 – 2011
    - 13+ mW delivered as of date

# Energy Efficiency Portfolio Standards

## Proposed guiding principles

- PES believes that an Efficiency Portfolio Standard based on an obligation by LSE's to include mandated percentages of energy from efficiency, paid for through a credit or tag system can meet the NY 15 by 15 goal.
- Ratepayers need to be assured that they are not paying for savings that do not materialize. As such, payment for Demand Side Management efficiency and response should be made after performance has been delivered and measured over the life of the measure.
- Program administration should be centralized and standardized in order to achieve the highest level of transparency and with the lowest administrative burden.
- The Program Administrator must normalize efficiency programs such that all credits have been risk adjusted
- Program development should be left to the marketplace

# Hard to reach markets in a competitive Efficiency Portfolio Standards environment

## Multi-tenant office spaces

- Divergent interests of landlord and tenant
  - Landlords hard to find, but when found are supportive
  - Management companies lose earnings from energy up-charges
  - Tenants uninterested in capital outlays

## PES recommends:

- strict energy codes enforcement coincident with gut rehabs associated with new leases
- PES believes that the established ESCo's can meet the needs of multi-tenant office space through a competitive market based upon efficiency tags created and owned by the ESCO and sold to LSE's

# Hard to reach markets in a competitive Efficiency Portfolio Standards environment

Small Commercial and high density residential customers

- Low access to capital
- Low touch from utilities and state agencies
- Low access to qualified advisors
- Considered too small to make difference

PES recommends:

- Program Administrator to select fulfillment contractors via RFP to serve
  - Exclusive geographic markets
  - Implement basic strategies in a uniform manner
    - Lighting
    - a/c replacements
    - Demand response
  - Pay only for performance at the then current all-in avoided cost
    - Independent third party auditor
    - Pay over the life of the measures