

September 22, 2008

VIA HAND DELIVERY

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

Re: The Brooklyn Union Gas Company d/b/a National Grid NY and KeySpan Gas East Corporation d/b/a National Grid - Gas Energy Efficiency Program Proposals

Dear Secretary Brillling:

Enclosed please find for filing by The Brooklyn Union Gas Company d/b/a National Grid NY and KeySpan Gas East Corporation d/b/a National Grid, collectively herein National Grid or the Companies (“National Grid” or the “Companies”), an original and five (5) copies of proposed gas energy efficiency programs. National Grid is seeking Public Service Commission (the “Commission”) authorization to implement eight (8) gas programs in The Brooklyn Union Gas Company service territory and nine (9) gas programs in the KeySpan Gas East Corporation service territory as “fast track programs to be administered by utilities” pursuant to the Commission’s June 23, 2008 Order Establishing Energy Efficiency Portfolio Standard and Approving Programs (the “Order”). These gas programs are proposed to be administered for the period January 1, 2009 through December 31, 2011 consistent with the Order.

Gas Energy Efficiency Programs

National Grid’s proposed gas energy efficiency programs in The Brooklyn Union Gas Company service territory in response to the Order are the: (1) Enhanced Home Sealing Incentives Program; (2) Residential ENERGY STAR® Products Program; (3) Residential Low Income Program; (4) Residential Building Practices and Demonstration Program; (5) Energy Audit Program; (6) Commercial, Industrial and Multifamily

Program; (5) Energy Audit Program; (6) Commercial, Industrial and Multifamily Energy Efficiency Program; (7) Commercial High-Efficiency Heating and Water Heating Program; and (8) Building Practices and Demonstration Program.

National Grid's proposed gas energy efficiency programs in KeySpan Gas East Corporation service territory in response to the Order are the: (1) Enhanced Home Sealing Incentives Program; (2) Residential ENERGY STAR® Products Program; (3) ENERGY STAR® Homes Program; (4) Residential Low Income Program; (5) Residential Building Practices and Demonstration Program; (6) Energy Audit Program; (7) Commercial, Industrial and Multifamily Energy Efficiency Program; (8) Commercial High-Efficiency Heating and Water Heating Program; and (9) Building Practices and Demonstration Program.

The gas energy efficiency programs being proposed by National Grid herein augments the corresponding programs that were included within the suite of interim gas programs that the Commission authorized the Companies to implement in the July 18, 2007 Order in Case 06-G-1185, *Proceeding on Motion of the Commission as to the Rates, Charges, Rules and Regulations of The Brooklyn Union Gas Company d/b/a KeySpan Energy Delivery New York for Gas Service*, and Case 06-G-1186, *Proceeding on Motion of the Commission as to the Rates, Charges, Rules and Regulations of KeySpan Energy Delivery Long Island for Gas Service*, Order Authorizing Interim Gas Energy Efficiency Programs and Related Deferrals.

Conclusion

National Grid has collaborated with the other New York State utilities as well as the Long Island Power Authority, Consolidated Edison Company of New York, Inc., New York Power Authority, NYSERDA, Department of Public Service Staff, Association for Energy Affordability, New York City Economic Development Corporation, the New York City Mayor's Office, Natural Resources Defense Council and other interested stakeholders. Details on these collaborative efforts, as well as individual program details, program budgets and goals, program cost-effectiveness, and evaluation

and reporting, can be found in the Companies' *Gas Energy Efficiency Program Proposals* document appended hereto. National Grid respectfully requests that the Commission expeditiously authorize the implementation of the gas energy efficiency programs therein so that implementation can commence on or before January 1, 2009. National Grid is committed to advancing cost-effective energy efficiency programs as part of its core business objectives.

Six (6) copies of a Notice of Proposed Agency Action for publication in the State Register pursuant to the State Administrative Procedure Act are also enclosed hereto.

Kindly acknowledge receipt of this filing by date-stamping as received the enclosed duplicate copy of this letter and returning it in the enclosed, self-addressed envelope provided for your convenience. Thank you for your attention to this matter.

Respectfully submitted,

 ^(u)

Catherine L. Nesser
Assistant General Counsel
National Grid
One MetroTech Center
Brooklyn, New York 11201
Telephone: (718) 403-3073
Fax: (718) 403-2687
Catherine.Nesser@us.ngrid.com

Enc.

cc: Janet Gail Besser, w/enclosure
Timothy Stout, w/enclosure
Active Parties in EEPS Proceeding via listserv

**NOTICE OF PROPOSED RULE MAKING
NO HEARING(S) SCHEDULED**

Proposed Gas Energy Efficiency Programs to Be Implemented by The Brooklyn Union Gas Company d/b/a National Grid NY and KeySpan Gas East Corporation d/b/a National Grid

I.D. No. PSC- _____

PURSUANT TO THE PROVISIONS OF THE State Administrative Procedure Act, NOTICE is hereby given of the following proposed agency action:

Proposed action: The Public Service Commission is considering whether to authorize, in whole or in part, a filing by The Brooklyn Union Gas Company d/b/a National Grid NY and KeySpan Gas East Corporation d/b/a National Grid (collectively National Grid) to implement proposed gas energy efficiency programs for the period from January 1, 2009 to December 31, 2011 submitted in response to Case 07-M-0548, *Proceeding on Motion of the Commission Regarding an Energy Efficiency Portfolio Standard*, Order Establishing Energy Efficiency Portfolio Standard and Approving Programs (issued and effective June 23, 2008).

Statutory authority: Public Service Law, section 66.

Subject: Proposed gas energy efficiency programs to be implemented by National Grid.

Purpose: To authorize the implementation of proposed gas energy efficiency programs by National Grid.

Substance of proposed rule: The Commission is considering whether to authorize, in whole or in part, a filing by National Grid, pursuant to Public Service Law section 66, to implement proposed gas energy efficiency programs for the period from January 1, 2009 to December 31, 2011. The filing is submitted in response to the Commission's June 23, 2008 Order Establishing Energy Efficiency Portfolio Standard and Approving Programs in Case 07-M-0548.

Text of proposed rule may be obtained by filing a Document Request Form (F-96) located on our website <http://www.dps.state.ny.us/f96dir.htm>. For questions, contact: Central Operations, Public Service Commission, Bldg. 3, Empire State Plaza, Albany, NY 12223-1350, (518) 474-2500

Data, view or arguments may be submitted to: Jaclyn A. Brillings, Secretary, Public Service Commission, Bldg. 3, Empire State Plaza, Albany, NY 12223-1350, (518) 474-6530

Public comment will be received until: 45 days after publication of this notice.

Regulatory Impact Statement, Regulatory Flexibility Analysis, Rural Area Flexibility Analysis and Job Impact Statement

Statements and analyses are not submitted with this notice because the proposed rule is within the definition contained in section 102(2)(a)(ii) of the State Administrative Procedure Act.

(08-G-____ SA1)