

STATE OF NEW YORK

Public Service Commission

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MULTIFAMILY HOUSING ENERGY EFFICIENCY PROGRAMS OK'D — More Than \$72M to Fund Electric and Natural Gas Efficiency Projects —

Albany, NY—7/24/09—The New York State Public Service Commission (Commission) today set aside \$72.1 million to invest in a series of electric and natural gas energy-efficiency programs targeting multifamily buildings throughout New York State. The programs are expected to reduce annual electricity consumption by approximately 46,000 MWh and natural gas consumption by 914,000 dekatherms — or enough energy to supply 22,700 average apartments annually.

“Reducing energy consumption in New York is one of our most important goals,” said Commission Chairman Garry Brown. “In addition to lowering consumer utility bills and reducing our dependence on costly fossil fuels, this important energy efficiency initiative will help improve the environment by reducing the state’s carbon footprint; global warming greenhouse gases; it will also help create much-needed clean-energy jobs all across the state.”

Based on today’s action, more than \$24.88 million will be made available through 2011 for electricity energy efficiency, and more than \$47.17 million for natural gas energy efficiency programs. The money invested in energy efficiency programs is being collected in rates.

The recommended Energy Efficiency Portfolio Standard (EEPS) programs include two electric and gas programs to be administered by the New York State Energy Research and Development Authority (NYSERDA); one electric and gas program to be administered by National Grid; one electric and gas, and one gas-only program to be administered by

Consolidated Edison Company of New York, Inc. (Con Edison); one electric-only program to be administered by New York State Electric & Gas Corporation (NYSEG) and Rochester Gas and Electric Corporation (RG&E); and one gas-only program to be administered by National Grid's New York City and Long Island operations.

Building owners participating in the program are required to provide financial support for energy efficiency measures. Examples of low-cost improvements that might be made to a multifamily building include better lighting and water conservation measures to reduce the demand for domestic hot water. Examples of major improvements include changes to building envelope weatherization measures, and installation of more energy efficient residential-sized and non-residential sized heating equipment and central heating plant.

For multifamily building customers, NYSERDA will provide programs totaling \$26.3 million to the owners of multifamily buildings, including \$6.56 million set aside for low-income properties. Utilities will provide the following programs: Con Edison (\$32.7 million), including \$2.67 million set aside for low-income properties; National Grid (\$4.7 million); National Grid (KeySpan) New York (\$4.54 million); NYSEG (\$1.46 million); RG&E (\$1.3 million); and National Grid (KeySpan) Long Island (\$980,687).

In the Con Edison service territory, incentives will be offered to building owners to install more energy-efficient refrigerators. In addition, incentives payments for energy efficiency improvements will be offered to landlords of rent-stabilized apartments in return for foregoing rent increases associated with implementation of energy efficiency measures.

Based upon the Commission's decision, NYSERDA and utility programs will coexist within each service territory as complementary programs. NYSERDA will continue its emphasis on primarily providing multifamily programs to buildings of greater than 50 dwelling units and low-income buildings, but shall be permitted to provide its multifamily programs to smaller buildings if the owners find NYSERDA's program design preferable to a utility offering. The utilities will limit their multifamily programs to the five to 50 dwelling unit market.

The Commission's decision today, when issued, may be obtained by going to the Commission Documents section of the Commission's Web site at www.dps.state.ny.us and entering Case Numbers 08-E-1127, 08-E-1132, 09-G-0363 and 07-M-0548 in the input box labeled "Search for Case/Matter Number." Many libraries offer free Internet access. Commission orders may also be obtained from the Commission's Files Office, 14th floor, Three Empire State Plaza, Albany, NY 12223 (518-474-2500).