

STATE OF NEW YORK

# Public Service Commission

Garry A. Brown, Chairman

Three Empire State Plaza, Albany, NY 12223  
Further Details: James Denn  
james\_denn@dps.state.ny.us | 518.474.7080  
<http://www.dps.state.ny.us>

10055/07-M-0548

## **MODIFICATIONS MADE TO ENERGY EFFICIENCY PROGRAM — Improvements to Landmark Efficiency Initiative Helps Maintain Success —**

Albany, NY—06/17/10—The New York State Public Service Commission (Commission) today approved several new programs and changes in funding for several selected gas and electric Energy Efficiency Portfolio Standard (EEPS) programs for the commercial and industrial, residential, and low-income residential customer market segments.

“As part of the process of reviewing program proposals for funding, the Commission reserved the option to make adjustments to program funding levels based upon demand and changing market conditions,” said Commission Chairman Garry Brown. “Backed by a clear picture of the exact programmatic needs, and to better meet stronger-than-expected demand for some programs, we are now in a position to make the necessary modifications to the program.”

Through January 2010, the Commission has approved 45 electric and 45 natural gas energy efficiency programs to implement EEPS policy. As part of today’s review, the Commission considered funding some additional programs, and making some adjustments to programs that have already been approved, in order to ensure that the overall statewide portfolio is well balanced.

In approaching the rebalancing process, the Commission considered several factors: statewide geographical and market segment equity; the relationship between the expected energy savings based on Commission-approved program authorizations versus the expectations for overall portfolio attainment set forth in the foundational EEPS policy orders; the unique needs of underserved and special-needs market segments; consideration of programs that the Commission

did not previously review; adjustments required due to changes in market conditions, new circumstances, or policy considerations; and the impact or burden on ratepayers.

The Commission previously approved electric energy efficiency programs with estimated total cumulative annual energy savings of approximately 3.9 million MWh and about \$295.2 million in annualized program funding. The Commission has now approved increasing the annual funding for electric efficiency programs by \$5.2 million.

Meanwhile, the natural gas energy efficiency programs also underwent some changes. The Commission approved an additional \$23.5 million in incremental annual funding be allocated to bring the overall funding level up to \$130 million. The new funding was needed in part to meet greater-than-anticipated market demand upstate for residential heating system replacements for the residential gas HVAC program.

The Commission also approved a new initiative — the Agriculture Energy Efficiency Program — to provide specialized energy efficiency services to the state’s agricultural sector. The annualized funding for the program includes \$3 million per year for electric energy efficiency measures and \$300,000 per year for natural gas efficiency measures. The new initiative will be implemented by NYSERDA and should provide much greater access to energy efficiency services for the agricultural market sector.

The new funding will be directed specifically to programs operated by Central Hudson Gas & Electric Corporation, Rochester Gas and Electric Corporation, New York State Electric and Gas Corporation, National Grid, Orange and Rockland Utilities Inc., and the New York State Energy Research and Development Authority (NYSERDA), which now includes an agriculture energy efficiency component.

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](http://www.dps.state.ny.us) and entering Case Number 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).