

January 25, 2008

Honorable Jaclyn A. Brillling
Secretary
State of New York
Public Service Commission
Three Empire State Plaza, 19th Floor
Albany, New York 12223-1350

Re: Case 07-M-0548 - Proceeding on Motion of the Commission
Regarding an Energy Efficiency Portfolio Standard:
Ruling Establishing Comment Schedule

Dear Secretary Brillling:

These comments are submitted on behalf of Central Hudson Gas & Electric Corporation ("Central Hudson") in response to the January 15, 2008 Ruling Establishing Comment Schedule and the January 24, 2008 Ruling On The Status Of The Record And On Schedule. The Ruling seeks comments on a "Consensus Recommendation" for EPS administration.

The Consensus Recommendation focuses virtually exclusively on the needs of New York City in both the geographical and political subdivision sense, despite being denominated as a statewide proposal. In recognition of the many unique characteristics of New York City, Central Hudson has no objection to applying the proposed Consensus Recommendation to New York City.

Just as New York City's unique characteristics warrant custom tailoring for an EPS administrative model, the proposed Consensus Recommendation is not necessarily well suited to the characteristics of other areas of the State. For example, the areas in which Central Hudson provides service are representative of the "rest of the State" in that they do not share the single centralized municipal government with a strong, well-funded energy efficiency administrative infrastructure, or the relatively uniform, urbanized characteristics of New York City.

It is not clear that the administrative "model" contained in the proposed Consensus Recommendation will be desirable or even particularly workable for other areas of the State. The proposed Consensus Recommendation could place burdens on local governments for which they may not have the same degree of funding or same types of administrative infrastructure that apparently are already available in New York

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City. The complexities of the Consensus Recommendation that may perhaps be warranted for New York City imply a potential for delay and frustration in relation to other parts of the State; in short, there is no necessary reason to presume a city-centric approach makes general sense across the State. Knowledge and personnel that are already in place in New York City's administrative infrastructure, and relationships that are already institutionalized in New York City between the City and the local utilities and other interested parties, would need to be funded, developed and implemented elsewhere in the State, were the concepts of the proposed Consensus Recommendation to be applied elsewhere. However no particular characteristics of the proposed Consensus Recommendation that lend themselves specifically to other areas of the State are apparent.

Moreover, no apparent "seams" issues that would be created, were the proposed Consensus Recommendation be adopted for New York City and a different model (presumably the "Joint Utility Model," with its streamlined and cost-effective governance approach) be adopted for application in other areas of the State.

As to procedures and timing, Central Hudson has supported, in this and other contemporaneous energy efficiency proceedings, the concept that Commission decisions on energy efficiency programs should be made with dispatch, so that the benefits of energy efficiency can be realized by customers as soon as possible. Central Hudson has no objection to any procedural path for the consideration of the Consensus Recommendation that will be consistent with that principle.

Respectfully submitted,

Robert J. Glasser

Robert J. Glasser

cc: Hon. Eleanor Stein
Hon. Rudy Stegemoeller
Active Parties via EPS Listserve
