

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: Niagara Mohawk Power Corporation d/b/a National Grid -  
Electric and Gas Energy Efficiency Program Proposals**

Dear Secretary Brillling:

Enclosed please find for filing by Niagara Mohawk Power Corporation d/b/a National Grid (“National Grid” or the “Company”) an original and five (5) copies of proposed electric and gas energy efficiency programs. National Grid is seeking Public Service Commission (the “Commission”) authorization to implement seven (7) electric programs and eight (8) gas programs 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”). The electric and gas programs are proposed to be administered for the period January 1, 2009 through December 31, 2011 consistent with the Order.

**Electric Energy Efficiency Programs**

National Grid’s proposed electric energy efficiency programs in response to the Order are the: (1) Enhanced Home Sealing Incentives Program; (2) Residential ENERGY STAR® Products and Recycling Program; (3) Residential Internet Audit Program and E-Commerce Sales; (4) Residential Building Practices and Demonstration Program; (5) EnergyWise Program; (6) Residential Pricing Pilot with Load Control; and (7) Energy Initiative Program.

The electric energy efficiency programs being proposed by National Grid are in addition to the two (2) expedited electric energy efficiency programs that the Company proposed in its August 22, 2008 filing with the Commission and are not duplicative of any existing electric energy efficiency programs that the Company is currently offering to its customers.

### **Gas Energy Efficiency Programs**

National Grid's proposed gas energy efficiency programs in response to the Order are the: (1) Enhanced Home Sealing Incentives Program; (2) Residential ENERGY STAR<sup>®</sup> Products Program; (3) Residential Low Income Program; (4) Residential Building Practices and Demonstration Program; (5) EnergyWise Program; (6) Commercial and Industrial Energy Efficiency Program; (7) Commercial High-Efficiency Heating and Water Heating Program; and (8) Building Practices and Demonstration Program.

The gas energy efficiency programs being proposed herein by National Grid augment the corresponding programs that were included within the suite of seven (7) gas programs set forth in the Joint Proposal for Interim Energy Efficiency filed with the Commission on August 1, 2008 in Case 08-G-0609, *Proceeding on Motion of the Commission as to the Rates, Charges, Rules and Regulations of the Niagara Mohawk Power Corporation for Gas Service* (the "Joint Proposal for Interim Gas Programs") and for which the Commission, in its September 18, 2008 Order Adopting an Interim Energy Efficiency Program and Modifying the Joint Proposal (the "Interim Joint Proposal Order"), approved five (5) of the seven (7) programs. The Enhanced Home Sealing Incentives Program and the Tune-Up Pilot Program were not approved by the Commission in the Interim Joint Proposal Order. However, the Company has included the Enhanced Home Sealing Incentives Program and the Tune-Up Pilot Program with the gas energy efficiency programs being proposed in this filing for further consideration by the Commission as there are additional benefits provided by these programs that were not fully captured in the Joint Proposal for Interim Gas Programs. The Tune-Up Pilot Program is a component of the Residential Building Practices and Demonstration Project.

### Conclusion

National Grid has collaborated with the other New York State utilities as well as NYSERDA, Department of Public Service Staff 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 National Grid's *Electric and Gas Energy Efficiency Program Proposals* document appended hereto. The Company respectfully requests that the Commission expeditiously authorize the implementation of the electric and 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.

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,





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Enc.

cc: Janet Gail Besser, w/enclosure

Timothy Stout, w/enclosure

Active Parties in EEPS Proceeding via listserv, w/enclosure

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

**Proposed Electric and Gas Energy Efficiency Programs to Be Implemented by  
Niagara Mohawk Power 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 Niagara Mohawk Power Corporation d/b/a National Grid (National Grid) to implement proposed electric and 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 electric and gas energy efficiency programs to be implemented by National Grid.

***Purpose:*** To authorize the implementation of proposed electric and 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 electric and 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. Brillling, 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-M-\_\_\_\_ SA1)