STATE OF NEW YORK PUBLIC SERVICE COMMISSION

At a session of the Public Service Commission held in the City of Albany on April 19, 2012

COMMISSIONERS PRESENT:

Garry A. Brown, Chairman Patricia L. Acampora Maureen F. Harris Robert E. Curry, Jr. James L. Larocca

- CASE 07-M-0548 Proceeding on Motion of the Commission Regarding an Energy Efficiency Portfolio Standard.
- CASE 08-E-1132 Petition of New York State Energy Research and Development Authority (NYSERDA) for Approval of an Energy Efficiency Portfolio Standard (EEPS) NYSERDA-Administered Electric Energy Efficiency Program.

ORDER APPROVING PETITION TO MODIFY EMERGENCY AGRICULTURE DISASTER ENERGY EFFICIENCY PROGRAM

(Issued and Effective April 23, 2012)

BY THE COMMISSION:

INTRODUCTION

In this Order, the Commission approves a petition filed on January 19, 2012 by the New York State Energy Research and Development Authority (NYSERDA) seeking to increase the cap for assistance provided to individual farms in the Energy Efficiency Portfolio Standard (EEPS) Agriculture Disaster Energy Efficiency Program from \$100,000 to \$250,000. This program assists farms and on-farm producers in replacing systems and equipment damaged or lost due to Hurricane Irene and/or Tropical Storm Lee. Applications will be accepted under this program until April 30, 2012.

BACKGROUND

NYSERDA's Agriculture Disaster Energy Efficiency Program was approved October 18, 2011 by Commission order.¹ The program assists farm and on-farm producers to replace systems and equipment damaged or lost due to Hurricane Irene and/or Tropical Storm Lee. The program provides up to \$100,000 in assistance for storm-damaged farms to incorporate energy efficient electric and natural gas equipment and measures into the required replacements and repairs.

NYSERDA began implementation of the program in November 2011 and has been actively collaborating with the New York State Electric and Gas Corporation and Niagara Mohawk Power Corporation d/b/a National Grid, which both offer similar stormrelated farm assistance programs. NYSERDA has also collaborated on program outreach with the New York State Department of Agriculture and Markets, the New York Farm Bureau, the United States Department of Agriculture, Cornell Cooperative Extension, and the United States Federal Emergency Management Agency.

As of March 2012, NYSERDA received 74 applications for assistance. Of these, 5 have been rejected as ineligible for assistance, 11 have been referred to the appropriate utility program, and the remaining 58 are being processed by NYSERDA. Of these 58 applications, 11 concern farms that need more extensive assistance than can be provided under the existing \$100,000 cap. NYSERDA seeks to raise the cap in order to provide these farms with sufficient funds to make necessary repairs and energy efficiency improvements. NYSERDA reports that current program spending is well within the approved budget

¹ Case 07-M-0548, <u>et al.</u>, <u>Energy Efficiency Portfolio Standard</u> (<u>EEPS</u>), Order Approving an Emergency Agriculture Disaster Energy Efficiency Program (issued October 18, 2011).

CASE 07-M-0548, et al.

of \$5.8 million, and the total overall expenditures including these additional projects are projected to be approximately \$2.8 million. Further, new program applications have slowed considerably as storm-damaged farms have been identified, and NYSERDA reports that increasing the assistance cap will not prevent it from providing assistance to other eligible farms within the existing budget. According to NYSERDA, the benefits from raising the cap include enhancing the program's ability to assist damaged agriculture operations in returning to service through energy efficient replacement and repairs and the associated positive impacts to the state economy.

NOTICE OF PROPOSED RULEMAKING

A Notice of Proposed Rulemaking concerning the NYSERDA petition under consideration here was published in the <u>State</u> <u>Register</u> on February 22, 2012 (SAPA07-M-0548SP49). The minimum period for the receipt of public comments pursuant to the State Administrative Procedure Act (SAPA) regarding that notice expired on April 9, 2012. No comments were received.

DISCUSSION

We authorize NYSERDA to modify the Agriculture Disaster Energy Efficiency Program by raising the maximum assistance from \$100,000 to \$250,000 per eligible farm. The modification will allow NYSERDA to provide assistance to those farms that need more extensive assistance than is available through either the current NYSERDA program or the utilityadministered storm assistance programs. The change is expected to result in approximately \$400,000 in additional payments through this program. Allowing these farms to get the assistance that NYSERDA indicates is needed will help ensure that the equipment being replaced is more energy efficient than

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it would otherwise be. It is also likely to provide economic benefits by allowing these farms to overcome the damage sustained by the severe storms and operate more efficiently from an energy consumption perspective.

SEQRA FINDINGS

Pursuant to our responsibilities under the State Environmental Quality Review Act (SEQRA), in conjunction with this order we find that the program modified here is within the overall action previously examined by us in Case 07-M-0548 and will not result in any different environmental impact than that previously examined. In addition, the SEQRA findings of the June 23, 2008 order in Case 07-M-0548 are incorporated herein by reference and we certify that: (1) the requirements of SEQRA, as implemented by 6 NYCRR part 617, have been met; and (2) consistent with social, economic, and other essential considerations from among the reasonable alternatives available, the action being undertaken is one that avoids or minimizes adverse environmental impacts to the maximum extent practicable.

CONCLUSION

We authorize NYSERDA to modify the Agriculture Disaster Energy Efficiency Program by raising the maximum assistance per eligible farm from \$100,000 to \$250,000.

The Commission orders:

1. The Petition of the New York State Energy Research and Development Authority to raise the maximum assistance from \$100,000 to \$250,000 per farm for its Agriculture Disaster Energy Efficiency Program is approved as described above.

2. All other program rules remain in effect, as previously approved.

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3. These proceedings are continued.

By the Commission,

(SIGNED)

JACLYN A. BRILLING Secretary