

STATE OF NEW YORK  
PUBLIC SERVICE COMMISSION

- CASE 06-G-1185 - Proceeding on Motion of the Commission as to the Rates, Charges, Rules and Regulations of The Brooklyn Union Gas Company d/b/a KeySpan Energy Delivery New York for Gas Service.
- CASE 06-G-1186 - Proceeding on Motion of the Commission as to the Rates, Charges, Rules and Regulations of KeySpan Gas East Corporation d/b/a KeySpan Energy Delivery Long Island for Gas Service.
- CASE 07-M-0548 - Proceeding on Motion of the Commission Regarding an Energy Efficiency Portfolio Standard.
- CASE 09-M-0465 - Proceeding to Consider a Pilot On-Bill Financing Program of KeySpan Energy Delivery New York and KeySpan Energy Delivery Long Island.

NOTICE OF NEW PROCEEDING ON A PILOT ON-BILL FINANCING PROGRAM

(Issued May 27, 2009)

Last summer, when the Commission established an energy efficiency portfolio standard and approved initial programs under the standard in Case 07-M-0548 (EEPS proceeding), it noted its interest in identifying and resolving issues related to on-bill financing for energy efficiency measures.<sup>1</sup> In furtherance of that Commission directive, on-bill financing has since been the subject of collaborative consideration by Working Group VI in the EEPS proceeding. That working group submitted a final report on December 19, 2008. Among other things, the working group recommended further examination of the comparative merits and feasibility of on-bill and off-bill financing by conducting focus groups to explore customer interest in those financing mechanisms. The Department of Public Service Office of Consumer

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<sup>1</sup> Case 07-M-0548, Energy Efficiency Portfolio Standard, Order Establishing Energy Efficiency Portfolio Standard and Approving Programs (issued June 23, 2008), pp. 60-61.

Services then organized focus group meetings, conducted by Interviewing Services of America, Inc., the results of which were submitted in April 2009. Niagara Mohawk Power Corporation also recently began implementing a form of on-bill financing as part of its Small Business Services Energy Efficiency Program.<sup>2</sup>

As a next step, it appears that a suitable pilot on-bill financing program would be useful in gaining more empirical information. A collaborative group functioning pursuant to Commission order in Cases 06-G-1185 and 06-G-1186 has been considering additional energy efficiency programs to be carried out by KeySpan Energy Delivery New York (KEDNY) and KeySpan Energy Delivery Long Island (KEDLI).<sup>3</sup> As part of that effort, Department Staff has been working with those companies to develop an on-bill financing pilot program.

Please take notice that, for the purpose of administrative efficiency, rather than continue to consider a pilot on-bill financing program in Cases 06-G-1185 and 06-G-1186, a new proceeding is being opened to develop the details of such a pilot program, taking into consideration the December 19, 2008, final report of Working Group VI in Case 07-M-0548. This new proceeding is being assigned to Administrative Law Judge

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<sup>2</sup> Case 08-E-1014, Petition of Niagara Mohawk Power Corporation for Approval of "Fast Track" Electric Energy Efficiency Program, Expedited Fast Track Electric Energy Efficiency Programs Implementation Plan (March 17, 2009), p. 27.

<sup>3</sup> Cases 06-G-1185 and 06-G-1186, KeySpan Energy Delivery New York and KeySpan Energy Delivery Long Island - Gas Rates, Order Authorizing Interim Gas Energy Efficiency Programs and Related Deferrals (issued July 18, 2007), attached Joint Proposal for Interim Energy Efficiency Programs, p. 5. Although the Commission generally approved the joint proposal in issue, it did not initially order compliance with the provisions in section VI concerning the efforts and anticipated schedule of the collaborative. Ibid., pp. 10-11. The work of the collaborative later became subject to Commission order. Cases 06-G-1185 and 06-G-1186, supra, Order Adopting Gas Rate Plans (issued December 21, 2007), pp. 68-69.

Howard A. Jack, who will establish further procedures as necessary to bring the matter to the Commission.

Please take further notice that a procedural conference in this proceeding will be convened before Judge Jack at 10:30 a.m. on Monday, June 8, 2009, in the 4<sup>th</sup> Floor Board Room of the Public Service Commission's offices at 90 Church Street, New York, NY. Interested parties should come prepared to discuss procedures, including potential for development of a negotiated agreement and, if necessary, litigation of issues, and a schedule for the proceeding. Any person intending to attend the conference must provide his or her name to Judge Jack's assistant, Jean Simmons, at (518) 474-4520 or via email to [jean\\_simmons@dps.state.ny.us](mailto:jean_simmons@dps.state.ny.us) prior to 4:00 p.m. on Thursday, June 4, 2009, and must be prepared to show valid photo identification upon arrival at 90 Church Street. These procedures are necessary to comply with building security requirements.

Any interested person that wishes to become an active party in this proceeding must send an electronic request stating that desire to [jean\\_simmons@dps.state.ny.us](mailto:jean_simmons@dps.state.ny.us) no later than 4:45 p.m. on Monday, June 8, 2009, providing her or his full current contact information: name, title (if any), organization represented, postal mail address, telephone number, facsimile transmission number (if any), and electronic mail address; or must provide that contact information at the initial procedural conference. Any person who is unable to provide an electronic mail address and wishes to be placed on the active parties list must send all other contact information, together with an explanation of the person's inability to send and receive electronic mail, to Judge Jack at Three Empire State Plaza, Albany, NY 12223-1350 by postal mail postmarked no later than Friday, June 5, 2009. A copy of each request for active party status must also be sent by postal mail to the Office of the

Secretary at Three Empire State Plaza, Albany, NY 12223-1350 for filing. Once an active parties list is posted on the Commission's web site, a copy of any subsequent request for active party status must be served, electronically or by postal mail, on each party on the list. Any request for active party status in this proceeding should make reference to Case 09-M-0465.

Persons receiving this notice that do not respond with contact information as required above will remain on the service list for receipt of Commission notices and orders, but will not be included on the active parties list and no longer directly receive other documents, including testimony, exhibits, and rulings, served or issued in the proceeding. Any person wishing to be removed from the service list for this proceeding entirely should contact Hon. Jaclyn A. Brilling, Secretary to the Public Service Commission, Three Empire State Plaza, Albany, NY 12223-1350 or at [secretary@dps.state.ny.us](mailto:secretary@dps.state.ny.us). Any member of the public may obtain access to all non-confidential documents that parties file, or that the Commission or the administrative law judge issues, by visiting the Department of Public Service website, [www.dps.state.ny.us](http://www.dps.state.ny.us), and searching for Case 09-M-0465.

(SIGNED)

JACLYN A. BRILLING  
Secretary