STATE OF NEW YORK PUBLIC SERVICE COMMISSION

At a session of the Public Service Commission held in the City of Albany on November 7, 2007

COMMISSIONERS PRESENT:

Patricia L. Acampora, Chairwoman Maureen F. Harris Robert E. Curry, Jr. Cheryl A. Buley

CASE 07-M-0548 - Proceeding on Motion of the Commission Regarding an Energy Efficiency Portfolio Standard.

ORDER CONCERNING DETERMINATION OF SIGNIFICANCE AND DRAFT GENERIC ENVIRONMENTAL IMPACT STATEMENT

(Issued and Effective November 9, 2007)

BY THE COMMISSION:

On May 16, 2007, the Commission instituted a proceeding to explore and develop the means by which the State's electric energy consumption can be decreased by 15% from expected levels by the year 2015, including development of an electric and natural gas Energy Efficiency Portfolio Standard, and to establish measures implementing that standard.

The Commission is Lead Agency for the review of this action pursuant to the State Environmental Quality Review Act (SEQRA). There are no other "involved agencies", and the action contemplated is an "unlisted action", both as defined in 6 NYCRR, Section 617.2.

On June 11, 2007, the Commission issued a Notice Inviting Comments on a proposed Environmental Assessment Form (EAF) prepared by its Staff. Subsequently, Staff prepared a draft Generic Environmental Impact Statement (GEIS) for the Commission's consideration. Pursuant to 6 NYCRR, Section 617.6(a)(4), the draft GEIS

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will be treated as an EAF for the purpose of determining significance. After considering the draft GEIS and the public comments received, the Commission concludes that the establishment of an Energy Efficiency Portfolio Standard may have a significant effect on the environment and therefore it is necessary that an environmental impact statement be prepared. The action involves changes in policy, practices and economic arrangements affecting the usage of energy. Direct adverse environmental impacts are not expected from implementation of energy efficiency policies, but there may be potential secondary impacts that will result. The Commission determines that preparation of a broad-based GEIS would be more appropriate than a site-specific environmental impact statement because the proposed action by itself would not involve any activities that will cause a direct affect on the environment at any specific location. Rather, the action may create circumstances that subsequently induce activities that may affect the environment.

At this time, the Commission deems the draft GEIS complete, accepts it as adequate with respect to its scope and content for the purpose of public review, and directs the Secretary to issue it for comment by the parties and the public. The Secretary shall also cause publication of a notice of determination of significance and completion of the draft GEIS and commencement of the public comment period in the Environmental Notice Bulletin (ENB). The comment period will be no less than 30 days after the notice is published in the ENB.

The Commission orders:

1. A Notice of Determination of Significance and Completion of Draft Generic Environmental Impact Statement in this proceeding shall be issued by the Secretary and filed for publication in the Environmental Notice Bulletin in accordance with the requirements of 6 NYCRR Part 617.

2. This proceeding is continued.

By the Commission,

JACLYN A. BRILLING Secretary

(SIGNED)

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