



Community Environmental Center

Energy Efficiency & Green Building Solutions

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With Regards to: PSC-40-10-00019-P

Community Environmental Center comments on technical changes to:

NYSERDA Administered SBC Programs

Honorable Secretary Brilling,

Community Environmental Center (CEC) broadly supports the technical changes and extension to the Service Benefits Charge (SBC) programs proposed by NYSERDA on September 20th, 2010. We believe that this reformatting of energy efficiency administration will benefit the overall achievement of goals outlined by New York State. Our specific comments are with regards to overall budget levels; workforce development; low-income retrofits; and the pursuit of market transformation for innovative energy efficiency and renewable technologies.

Although we believe it would be beneficial to increase the overarching budget for SBC and EEPS (particularly with regards to the substantial 5:1 return on investment demonstrated by the program) – we recognize the additional perceived burden this would place on ratepayers in a time of economic vulnerability – we therefore support NYSERDA’s proposal of a straight-line funding continuation. On a supplemental level, CEC recommends setting the proposed straight-line budget as a floor for energy efficiency funding, allowing money to be reallocated if economic recovery proceeds at a faster rate than is currently foreseen.

Secondly, our experience with workforce development organizations reflects NYSERDA’s comments on the importance of workforce development programs in pursuing the State’s energy efficiency organization – particularly with regards to third-party certification-based programs. Since the beginning of ARRA-based retrofit contracts through WAP, CEC has hired

more than 15 retrofit workers through organizations such as STRIVE, Local 10, and our own training pipeline associated with Solar One. We have found that such organizations provide motivated workers who are invested in the opportunities associated with the emerging 'green economy'. These workforce development programs have allowed us to scale up our retrofit workforce, and we recommend the further pursuit of energy efficiency through these programs.

Thirdly, we are particularly supportive of NYSERDA's objective to remedy program guidelines to ensure that low-income households receive the energy efficiency support that they need. Our own experience as a retrofit contractor through NYSERDA programs reinforces the fact that current EEPS and SBC programs overlook valuable opportunities to support low-income families by limiting the availability of funds to households that use non-conventional fuels. We strongly support remedying these programmatic guidelines to allow greater penetration of energy efficiency to these underserved families. We would also like to emphasize the importance of the EmPower energy saving program in supplementing our Weatherization Assistance Program work – allowing us to achieve deeper energy savings and 'fill in the cracks' of energy efficiency through the federal program.

Lastly, it is important to state that we generally support the reorientation of SBC funding toward new technology development and market transformation. While WAP and the expected 'Cash for Caulkers' programs providing financial assistance for low-income and market-rate retrofits respectively, NYS-based efforts would do well to focus on developing enhanced technologies to conserve energy and catalyzing the adoption of enhanced production and procurement strategies throughout the supply chain.

Our own experience in working with NYSERDA to pursue advanced energy efficiency measures such as bi-level lighting, and indirectly through the 2008 BrightPower/NYSERDA report detailing the economics of Solar Thermal water heating, demonstrates the ability of pilot and research installations to create new markets for energy efficiency technology and further reduce the environmental impact of buildings receiving such technologies. Since our pilot

project with NYSERDA of bi-level lighting, we have installed this measure in the majority of multifamily buildings receiving retrofits from Community Environmental Center.

As an active party in the Public Service Commission (PSC) Energy Efficiency Portfolio Standards (EEPS) – Community Environmental Center re-emphasizes our support for the adoption of the NYSERDA proposal regarding the extension and reauthorization of SBC and EEPS programs that pursue gas and electrical efficiency throughout New York State. NYSERDA's report 'System Benefits Charge in New York: Vision for the Future' is a valuable document for approaching the reauthorization of energy efficiency programs overseen by the PSC. With particular regard for the concerns discussed in this comment letter, we look forward to playing a role in the further evolution of an energy efficient economy in New York State.

1. Should the current non-EEPS energy efficiency programs that are similar to EEPS energy efficiency programs be administered in the same manner as the EEPS programs during the six-month period July 1, 2011 through December 31, 2011?

CEC supports this administrative change

2. Should the allocation of costs among utilities be made on the basis of sales volumes (as is done for EEPS) instead of on the basis of historical revenues (as was done for SBC III)?

CEC has no comment on this question.

3. Should unspent, uncommitted and unencumbered SBC funds be addressed in a manner designed to encourage the efficient usage of allocated funds to achieve completed projects and to minimize the magnitude of the unspent and uncommitted funds?

CEC supports this proposal.

4. As robustly funding all of the potential new Technology and Market Development programs identified by NYSERDA would likely exceed the available funding, what priorities should be set for choosing which programs to fund?

CEC supports the foremost prioritization of 'environmental and economic development impacts.'

5. Should priority be given to projects that will realize tangible benefits within the 2012 to 2015 time frame (mainly demonstration and commercialization projects) as opposed to projects that may entail higher risks and potentially greater benefits over a longer time horizon?

CEC supports projects that realize tangible benefits within the SBC time-frame, particularly with regards to pilot demonstrations of renewable energy technologies.

6. What process steps should be followed to ensure that funding decisions are made in an open and optimal manner?

CEC has no comment on this question.

7. Should other potential new Technology and Market Development programs, beyond those identified by NYSERDA, be considered and if so, with what priority?

CEC has no comment.