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October 25, 2013

Kathleen H. Burgess, Secretary
NYS Public Service Commission
3 Empire State Plaza
Albany, NY 12223

RE: Case 07-M-0548
Case 13-M-0412
Case 03-E-0188

Dear Secretary Burgess:

TRC Environmental Corporation (TRC) welcomes this opportunity to respond to the September 13, 2013, Energy Efficiency Portfolio Standard (EEPS) Restructuring Proposal regarding a new vision for energy efficiency programs in New York State, the NYSERDA Petition to provide initial capitalization for the New York Green Bank, and the Retail Renewable Portfolio Standard.

TRC is a publicly-traded engineering and environmental services firm with 90 offices and 2,700 staff throughout the United States and London. In New York, we are a registered engineering firm with 9 offices and a staff of 420. TRC is a program implementation contractor and technical consultant for the New York State Energy Research and Development Authority's (NYSERDA) Multifamily Energy Performance Portfolio (MEPP) and Existing Facilities Programs, Long Island Power Authority's (LIPA) Solutions Provider and Small Business Audit Programs, and other energy efficiency programs in Maine, New Hampshire, New Jersey and California.

We applaud the Staff for thinking "outside the box" and setting the stage for re-invigorating the EEPS programs. The presented approach will advance the role of cost effective energy efficiency programs as part of a New York's robust clean energy market. TRC offers the comments below to assist the Commission in moving forward with changes.

Green Bank

TRC supports the establishment of the Green Bank, which will mobilize private sector capital to stimulate the growth of New York's clean energy economy. New York State is nationally recognized for achievements in building its energy efficiency portfolio and was recently ranked third in the American Council for an Energy Efficient Economy's Energy Efficiency Scorecard Report in 2011 and 2012. The Green Bank proposal will now tap into private financing markets that were previously unattainable and, after years of growth and success, New York State will see unprecedented opportunity for growth in clean energy projects across the state.

EEPS 2014-2015 Program Changes

Implement a Fuel Neutral Approach for 2014 – 2015

TRC supports the implementation of a fuel neutral approach for the remainder of EEPS-2 and for E². A fuel neutral approach supports New York State's goals to transform energy markets. This approach allows the State to holistically address energy market needs in a way that EEPS-2 requirements do not currently allow.

Many current EEPS-2 programs can incorporate this change quickly. In our work with NYSEERDA's MEPP, we have found that buildings using heating fuels other than natural gas and electricity (e.g. oil, interruptible gas, steam and propane) can easily meet the 15% energy savings threshold but are unable to access EEPS funds. On October 1, 2013, \$1,870,235 of Regional Greenhouse Gas Initiative (RGGI) funding was made available to the MEPP to serve these buildings. Within one week, all but \$62,000 was committed. These buildings will save an estimated 2,775 MWh and 48,500 DTh and will help to reduce greenhouse gas emissions. This demonstrates the high demand for fuel neutral funding and the opportunity to capture these energy savings.

Removal of the Total Resource Cost Test

The Restructuring Proposal recommends that the "requirement that a measure pass payback criteria should be eliminated for the remainder of EEPS-2." TRC supports removing the measure level and project level Total Resource Cost Test for the remainder of EEPS-2. This can be accomplished quickly and would help to reduce program administrative costs as well as the participation costs for customers. Cost effectiveness screening at the sector level will provide flexibility for innovative program design and implementation models in the future.

E² Proposal

Transition Planning and Schedule

The Restructuring Proposal outlines a proposed schedule for the 2016-2020 E² program cycle. It has been TRC's experience that new programs take 3-6 months to be properly designed and launched. We encourage the Commission to review the high level planning schedule to ensure that program administrators can incorporate the new program guidance into program design and procurement cycles.

Data Collection and Reporting Requirements

The proceeding will explore identified barriers currently constraining the clean energy financing market. One significant barrier is the lack of a comprehensive and standardized program tracking database that allows analysis and comparison among EEPs programs. Current data analytics tools being used to evaluate EEPs programs are unable to present a clear performance comparison of the numerous program administrators across the State. In addition, the current collection of program performance data only tracks savings for the first year of implementation, and it is well understood that most energy efficiency programs - especially those of larger scale that promise greater efficiencies - will take years to realize energy efficiency and financial forecasting goals.

For these reasons, TRC supports a group-shared information technology platform that would facilitate market analysis, evaluation of programs, and resource planning efforts. This new platform is crucial to meeting upcoming statewide energy efficiency goals and enabling loftier future goals. TRC recommends the planning process for such a platform should include input from Program Administrators and Evaluators as well as Implementation Contractors that can bring a depth of knowledge and skill in database construction, operation and management. TRC would welcome the opportunity to join this discussion.

Such a platform should be developed by a third party contractor with experience working in this sector and should be shared among NYSERDA, the Department of Public Service, and utilities. Its design should include a description of:

- Specific data elements that will be collected
- Necessary privacy and security controls
- An adaptable format that would allow frequent updating of input parameters
- An incentive or other mechanism to compel data input and reporting necessary to track the success of an energy efficiency investment
- A data collection procedure that may, in the future, include data from other states, for the purpose of building a national model and a more accurate deliverable

TRC believes that this platform should also include an interface tied to data analytics to allow building owners, contractors, and investors to build a business case for new investment opportunities. This data is necessary for private investors to (1) evaluate the financial soundness of proposed opportunities and (2) be fully engaged in the Green Bank initiative. This customer-centric interface would put relevant data to use before investment and would be the real catalyst to matching energy efficiency proposals with potential investors. In this way, data that is available to the State can be used to its maximum potential in attracting private investment to the clean energy market, while enabling robust reporting and program evaluation capabilities.

Organizational Proposal – Joint Programs

Structuring program goals for NYSERDA and local utilities jointly by utility territory will benefit the customer. TRC supports the concept of eliminating competing programs. This approach allows the customer greater access to the full range of energy programs available in New York State.

In an effort to start creating joint programs, the Commission could begin with a state-wide PV incentive program coordinated between the LIPA and NYSERDA. Such a program might include:

- Linked websites for easy access
- Same application process
- Consistent application and tracking amongst installers and administrators
- Standardized incentive levels for the entire state
- One implementation contractor and one QA/QC contractor procured using joint solicitations

TRC appreciates this opportunity to provide input to the Commission and Staff regarding the Restructuring Proposal and future of energy programs in New York State. We are excited to work with our clients to bring these changes to life and help the State of New York meet its energy goals.

Very truly yours,
TRC Environmental Corporation



Mark Lorentzen
Vice President

