



December 7, 2012

VIA EMAIL: secretary@dps.ny.gov

Honorable Jaclyn A. Brilling
Secretary
New York State Public Service Commission
Three Empire State Plaza
Albany, New York 12223

Re: Case 07-M-0548 et al. – Joint Utilities Petition for Approval of Hurricane Sandy Disaster Relief Energy Efficiency Program¹

Case 07-M-0548/08-E-1132 – NYSERDA Petition for Approval of New York Hurricane Energy Lift Program Rebates²

Dear Secretary Brilling:

The Pace Energy and Climate Center (“Pace”) appreciates the opportunity to file these comments in general support of the Joint Utilities’ Petition for Approval of Hurricane Sandy Disaster Relief Energy Efficiency Program, as well as the NYSERDA New York Hurricane Energy Lift Program (“NY HELP”). Despite the fact that the Joint Utilities and NYSERDA have filed petitions to withdraw their suggested disaster relief programs, Pace supports the core concept of increasing efficiency incentives during this, and future, periods of disaster recovery.

We strongly urge DPS staff to work with NYSERDA and utility program administrators to identify and implement program changes that can be made in the near-term in order to avoid missing this limited window of opportunity to capture significant energy savings potential the recovery process presents. Failing to do so would deny ratepayers significant savings and system benefits, and also further jeopardize the state’s chances of meeting its ‘15 by 15’ goal.

Hurricane Sandy and Winter Storm Athena caused immense damage in Southeastern New York, impacting customers across all market sectors. As a result, business owners and residential customers will have to replace the vast quantities of appliances, equipment and energy infrastructure that were lost or damaged during the storms. During times of disaster recovery, it is unlikely that customers will use their own limited resources to invest in high-efficiency appliances and equipment. Federal disaster assistance funds and insurance will generally not cover the entire costs of purchasing high-efficiency replacements for damaged equipment. For these reasons it is imperative that additional funding be made available to ensure that energy efficiency is more than an afterthought during the rebuilding process. Furthermore, New York is currently far behind on its ‘15 by 15’ energy efficiency targets,³ and an enhanced suite of efficiency incentives in the wake of Hurricane Sandy would result in significant energy savings for consumers and deliver system benefits. As long as the incentives offered in these disaster relief programs are a cost effective use of ratepayer funds and maintain the efficacy of the overall EEPS programs, this limited window of opportunity to capture significant energy savings should not be missed.

New York must emerge from the post-Sandy recovery with a more efficient and resilient electric landscape, but that requires an all hands on deck approach in line with the recent statements and actions of Governor Cuomo. Immediate enhancements of energy efficiency incentives would be consistent with and help fulfill

¹ <http://documents.dps.ny.gov/public/Common/ViewDoc.aspx?DocRefId={B8C61AC7-2307-4839-BC01-E4E345AB0D8C}>

² <http://documents.dps.ny.gov/public/Common/ViewDoc.aspx?DocRefId={1F4E797E-D535-4769-A5B6-45A43DE2C43C}>

³ “Energy Efficiency in New York: Midcourse Status Report of ‘15 x 15’” Jackson Morris and Jordan Stutt, Pace Energy and Climate Center, October 2012. <http://www.law.pace.edu/sites/default/files/PECC/Energy%20Efficiency%20in%20New%20York%2015x15.pdf>

that approach—failing to implement programs like the Hurricane Sandy Disaster Relief Energy Efficiency Program and NY HELP would constitute a significant missed opportunity.

Pace recognizes that finalizing and implementing the Hurricane Sandy Disaster Relief Energy Efficiency Program and NY HELP would require some time and resources from the utilities, NYSERDA and the PSC. While these entities should rightly focus on providing immediate relief to storm victims and getting the lights back on, we believe that key obligation can be met while *also* capturing the energy savings the rebuilding process presents.

The current situation does highlight the need for preemptive/proactive action now by regulators to ensure contingency plans are in place for future events. Filing petitions for enhanced incentives *in response* to a storm requires resources from the petitioners as well as DPS staff, at a time when resources are already constrained. Additionally, by the time such a petition could be approved, the window of opportunity has begun to close.

In the near-term we urge program administrators and the Commission to consider implementing an enhanced post-Sandy EEPs program. In addition, instead of waiting for the next storm, the PSC should also establish protocols for the expedited approval of enhanced efficiency incentives following natural disasters. It is not a question of if, but when, New York customers will experience significant damages to appliances and equipment again from such events. Taking this proactive step now will ensure the state is better prepared for such scenarios in the future.

Respectfully submitted,

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