

STATE OF NEW YORK

Public Service Commission

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LANDMARK ENERGY EFFICIENCY PROGRAM FINE-TUNED — Next Step: Detailed 5-Year Plan to be Developed and Submitted —

Albany, NY—12/16/10—The New York State Public Service Commission (Commission) today voted to direct the New York State Energy Research and Development Authority (NYSERDA) to commence a stakeholder process to develop a new operating plan for the System Benefits Charge (SBC) program, the state’s long-standing energy efficiency and clean-energy development initiative.

“The Commission’s establishment of the SBC program over a decade ago has led to one of the nation’s most vigorous energy efficiency, renewable energy, and clean technology markets in the country,” said Commission Chairman Garry Brown. “The further evaluation of these nationally recognized programs and services will enable us to make even greater contributions to New York’s energy and economic future.”

The \$180 million SBC program currently funds energy efficiency programs, outreach and education initiatives and various market transformation activities. Funding authorization for SBC currently expires on June 30, 2011.

The new operating plan to be developed will likely include a broad array of programs aimed at technology and market development, rather than resource acquisition programs focused on the realization of energy savings. The Commission asked that the new plan be submitted by May 1, 2011.

To better focus New York State's energy resource acquisition efforts, the Commission also adopted a proposal by NYERDA to transfer eight SBC resource acquisition programs with total annual funding of \$98 million to the Energy Efficiency Portfolio Standard initiative (EEPS). Six of the eight programs are similar to already existing EEPS and can be transferred with no further review. NYERDA will develop an operating plan for the remaining two programs which will be reviewed by the Commission's staff. The transfer is expected to occur on July 1, 2011.

All existing NYERDA SBC programs that are not transferred to EEPS will continue in their present form until the Commission formally acts on the technology and market development operating plan that is the subject of the stakeholder process NYERDA has been directed to commence.

Finally, the Commission directed NYERDA to work with utilities to modify its collection agreements to provide greater flexibility and to better coordinate actual utility payments with NYERDA disbursements in a way that is beneficial to both utilities and ratepayers. As part of that effort, the Commission decided to defer remaining SBC collections from 2011 to 2012; a deferment that will not have any adverse impact on the timing or effectiveness of NYERDA's programs.

The Commission's decision today, when issued, may be obtained by going to the Commission Documents section of the Commission's Web site at www.dps.state.ny.us and entering Case Numbers 10-M-0457 and 05-M-0090 in the input box labeled "Search for Case/Matter Number". Many libraries offer free Internet access. Commission orders may also be obtained from the Commission's Files Office, 14th floor, Three Empire State Plaza, Albany, NY 12223 (518-474-2500).