

## ConsumerPowerline

ConsumerPowerline, Inc. ("CPLN") hereby submits the following written comments regarding the "Draft Scope of 2009 New York State Energy Plan" as purposed in the public solicitation of comments issued on May 30, 2008.

Introduction. CPLN is a full service strategic energy asset management firm and a leading provider of demand response solutions in the United States, with more than 1500 MW's under management. We currently operate in North America's largest energy markets including New York, California, New England, Mid-Atlantic, Texas and Ontario. CPLN is one of the leading demand response providers in North America. CPLN is a recognized leader in structured free wholesale markets, providing both economic and reliability resources to wholesale markets. CPLN's current portfolio of customers includes large industrial loads, institutional customers, and commercial and residential consumers.

### **Draft Scope of the 2009 Energy Plan Demand Response and Energy Efficiency Roles**

Demand response programs provide numerous benefits for the State of New York and its electric customers. These programs provide both financial and social benefits, as well as increased reliability and reduced dependence on power plants at the wholesale level. Additional benefits come in the form of reduced environmental impact and cost avoidance by displacing some of the highest cost and environmentally unfriendly generation on peak demand days. Customers that participate in demand response programs have the potential to receive substantial energy bill savings and incentive payments by adjusting their electric demand in response to high prices and system reliability events. Over the long run peak load management and demand response programs reduce the need for new peaking generation. These programs can also play a role in assisting with distribution and transmissions issues, thereby reducing the risk of forced outages. Aggressive demand response and energy efficiency programs should be viewed as critical elements that are necessary to save millions of dollars for New York ratepayers. These programs assist in lowering greenhouse gas emissions, both on critical peak demand days and through energy efficiency upgrades, reduce the need to invest in peaking units, and lower electric demand.

### **Issue Briefs**

The Draft Scope of 2009 New York State Energy Plan ("Scope Draft") plans to address several areas of energy needs through development of technical assessments and Issue Briefs. CPLN respectfully suggests that the following areas, "Energy Infrastructure", "Environmental Impact and Regulation of Energy Systems", and "Regional Energy Issues" address demand response and energy efficiency within the contents and scope of the Issue Briefs.

### **Energy Infrastructure Needs**

CPLN agrees that application of smart grid technologies can enhance New York State's electric grid infrastructure as well as optimize operations. However, smart grid technology can also assist New York State in optimizing demand response by providing technology that sends curtailment signals that allow customers to change their energy usage behavior.

### **Environmental Impact and Regulation of Energy Systems**

There is a strong correlation between high ozone days and high electric demand usage days. Demand-side resources can play a critical role in reducing peak electric load while

also improving air quality on the worst days. Non-generation demand-side resources can also play a critical role, in assisting New York State in meeting the Regional Greenhouse Gas Initiative by reducing the need for peaking units which emit carbon dioxide. CPLN suggests that the Issue Brief address the feasibility of developing a program for non-generating demand-side resources to be called on for emissions reductions on projected high ozone days.

### **Regional Energy Issues**

In ISO-NE, demand-side resources can participate in the Forward Capacity Market as one of several types of demand resources, including real-time demand response, load management, energy efficiency, and distributed generation. The Forward Capacity Market is the first capacity market in the country to enable energy-efficiency assets to participate as a resource in a capacity market. This approach views demand-side resources, whether load reduction, energy efficiency, load management or distributed generation, on equal footing with new generation resources. In the Forward Capacity Market energy efficiency projects can receive capacity credit just like other demand and generation resources. It is critical that New York State look to our neighboring states for best practices within the energy industry and implement programs that will allow for encourage maximum energy efficiency, and promote the most effective forms of demand-side management.

### **Conclusion**

In conclusion, CPLN would like to thank NYSERDA and the State Energy Planning Board for allowing us the opportunity to comment on what we believe are important issues for both Demand-side resources and the State of New York in development of a 2009 Energy Plan.