

New York State Energy Plan
Comments of Liberty Power
On the Draft Scoping Document
July 8, 2008

Liberty Power Holdings, LLC (“Liberty Power”) appreciates the opportunity to provide the following comments on the Draft Scoping Document of the New York State Energy Plan (the “Plan”). Liberty Power is a leading independent national Energy Service Company (“ESCO”), which is licensed in 15 states and Washington, D.C. Additionally, Liberty Power is the only minority-owned, U.S. Small Business Administration 8(a) national ESCO. Our company has been supplying electricity in New York since 2002 and serves more than 20,000 small and medium-sized businesses throughout the state – mostly in New York City.¹ Liberty Power also serves more than 50 Fortune 500 customers, including 14 customers with headquarters and facilities in New York. Our business customers provide thousands of jobs in the state and deliver goods and services to millions of New Yorkers.²

Liberty Power applauds and supports the New York State Energy Coordinating Working Group (“ECWG”) on the Plan’s long term goals and initiatives. Liberty Power, a member of Retail Energy Supply Association (“RESA”), supports the comments filed by RESA under the Joint Retail Energy Suppliers (“Joint Suppliers”) group regarding the overall structure and scope of the Plan. In addition to the Joint Suppliers’ comments, Liberty Power would like to take this opportunity to underscore the need for the Plan to support retail electricity choice as the best means for achieving the long term objectives of the State’s energy goals, such as downward pressure on electricity prices, customized energy solutions for customers, and an increase in sustainable energy solutions. Furthermore, Liberty Power would like to offer the ECWG specific recommendations for consideration for the upcoming planning process.

Liberty Power Recommendations

Use the Current Regulatory Framework to Achieve Desired Policy Objectives

The New York market has evolved by design into one of the most competitive and successful electricity markets in the U.S. According to the New York Public Service Commission (“PSC”), ESCOs serve more than 49.7% of large commercial and industrial (“LC&I”) customers in New York and 76.2% of New York’s LC&I electricity load.³ In addressing New York State’s energy policy objectives, the PSC has used the current regulatory framework and principles, as well as the growing number of competitive suppliers, to identify innovative approaches and solutions to New York’s energy challenges. Liberty Power encourages the ECWG to implement a similar approach.

¹ Liberty Power operates four Commission-licensed electric ESCOs in New York (Liberty Power Corp., LLC; Liberty Power New York, LLC; Liberty Power Holdings, LLC; and Liberty Power Delaware, LLC).

² Liberty Power internal estimates.

³ New York Public Service Commission, February 2008; http://www.dps.state.ny.us/Electric_RA_Migration.htm

Allow Competition to Develop Sustainable Energy Solutions

Nationally, consumers are increasingly seeking unique product and service offerings – particularly products and services that address sustainability – from their energy suppliers. In a recent survey of New Yorkers,:

- (1) 92.5% of households surveyed believe that customers should have a choice of electricity suppliers
- (2) 80% are more likely to support public policies that promote competition in New York’s electricity markets and consumer choice
- (3) 82% believe that it is important for competitive suppliers to offer green power products.⁴

A competitive marketplace also facilitates increased sources of renewable power. For example, Texas, which has a robust competitive marketplace, currently has more than 5300 megawatts of installed wind generation, approximately one fourth of the total wind capacity in the U.S.⁵ According to the Texas Energy Plan 2008, “recognizing that the combination of incentives and competitive market forces in place in Texas resulted in more rapid investment in wind energy than in any other state.”⁶ The ECWG should explore approaches that find synergies between New York’s competitive marketplace and the increasing consumer demand for green solutions.

Engage Customers to Find Solutions

Liberty Power encourages the ECWG to engage ESCOs’ customers in developing innovative solutions to achieve New York’s long-term energy policy goals. To this end, Liberty Power stands ready to help in any way we can such as facilitating discussions with various consumer groups – from the small business owner, to the residential consumer, to the Fortune 500 company – all which have a vested interest in the work of the ECWG.

Thank you for your efforts on behalf of Liberty Power’s customers in undertaking this important work. Liberty Power appreciates the openness and transparency of the ECWG’s planning process. Our company is more than willing to assist in the process and looks forward to upcoming opportunities to offer solutions, comments and feedback.

⁴ Cotter Research Center at Syracuse University , “Electric Costs and Competitive Markets in New York State: A Survey,” March –April 2008.

⁵ O’Grady, Eileen, “Rapid Tex wind growth a warning to U.S. power market,” May 30, 2008; <http://www.reuters.com/article/reutersEdge/idUSN3039746120080530>

⁶ Texas Energy Plan 2008; <http://www.governor.state.tx.us/gcc/files/DRAFT-TexasStateEnergyPlan.pdf>