

## Renewable Energy Long Island

### Comments on NYSERDA Concept Paper

#### **“Operating Plan for Investments in New York under the CO2 Budget Trading Program and the CO2 Allowance Auction Program”**

Renewable Energy Long Island (RELI) is a membership-supported, not-for-profit organization promoting clean, sustainable energy use and generation for Long Island. RELI seeks public participation in energy policy decisions to encourage energy efficiency, use of renewable energy sources, and to protect our environment, economy, and public health. Gordian Raacke, RELI’s executive director, serves on NYSERDA’s RGGI Operating Plan Advisory Group and attended the November 21, 2008 meeting.

We commend NYSERDA and DEC staff for its excellent work in drafting the Operating Plan Concept Paper and generally support its recommendations. We submit the following brief comments for consideration for the Draft Operating Plan.

#### 1. Geographical Equity

RELI urges NYSERDA to ensure that proceeds from the sale of allowances for Long Island generators, which will be paid for by Long Islanders, are invested proportionally in initiatives and Programs on Long Island, or in ways that directly and primarily benefit Long Islanders. The Long Island Power Authority, in its proposed 2009 Budget has already budgeted \$36,846,000 for compliance with RGGI. Since programs within the LIPA service territory are typically not eligible to receive proceeds from the state’s Systems Benefits Charge it is important to ensure that RGGI auction proceeds raised on Long Island will be spent on Long Island.

#### 2. Funding Stability

To allow for multi-year planning and continuity of initiatives it is important to devise ways to provide a stable level of funding despite potential fluctuations in auction revenue. NYSERDA should consider guaranteeing a minimum level of funding for a set number of years, with the option of added funding when auction proceeds turn out to be higher than anticipated.

#### 3. Focus on Building Sector

When buildings are constructed without taking advantage of the most energy efficient building practices and renewable energy technologies, the opportunity for the most cost-effective reductions in CO2 emissions is typically lost for decades. Additionally, the greatest savings and carbon reductions can only be achieved when building systems are approached in a holistic way. Currently most utility programs are fuel specific and often ignore a whole building approach. For these reasons, we recommend that a significant portion of funds be used in the residential, commercial, and industrial building sectors.

#### 4. Include Major Renovations

Existing building stock is responsible for a large portion of carbon emissions in the building sector. Major renovations provide a good opportunity to upgrade the energy efficiency of the entire building shell as well as HVAC and other systems. We strongly recommend that major renovations be included in eligibility along with new construction.

#### 5. Augment Funding

Funds raised from the RGGI allowance auction should be used for new initiatives or to augment existing sources of funding (i.e. NY Systems Benefit Charge, LIPA Efficiency Long Island) and not to replace these existing incentives for efficiency and renewables.

We appreciate the opportunity to provide input as part of NYSERDA's Advisory Group and to offer these comments today for consideration. We look forward to seeing the Draft Operating Plan and to provide additional feedback.

Respectfully submitted,



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