

Consumer Power Advocates

Continuum Health Partners
Fordham University
Luthin Associates, Inc.
Memorial Sloan Kettering Cancer Center
NYU Hospitals Center

Montefiore Medical Center
Mount Sinai Medical Center
New York Presbyterian Hospital
New York University

Via e-mail to secretary@dps.ny.gov

February 22, 2013

Honorable Jeffrey Cohen
Acting Secretary
New York Public Service Commission
Three Empire State Plaza
Albany, New York 12223-1350

RE: Case 12-E-0503- Generation Retirement Contingency Plans

Dear Acting Secretary Cohen:

Consumer Power Advocates' mission is to lower energy costs for our members through representation in energy-related regulatory and legislative proceedings. CPA is an alliance of large not-for-profit institutions in the greater New York region. Our membership is open to hospitals, universities, medical schools, and cultural institutions. CPA members include some of the largest employers and energy users in New York State. Six of our recent member hospitals are among the 15 largest regional health organizations including five of the ten largest. Six current CPA members, among hospitals, universities, and other related institutions, are among New York City's 25 largest employers according to *Crain's New York Business*.

Below is a list of our current members:

New York Presbyterian Hospital
Continuum Health Partners
Fordham University
Memorial Sloan-Kettering Cancer Center
Montefiore Medical Center
Mount Sinai Medical Center

**535 Main Street, Allenhurst NJ 07711
Tel 732-774-0005 Fax 732-774-0049**

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New York University Hospitals Center

We offer these comments in response to the Commission's November 30, 2012 Order and Notice Seeking Comments in the above captioned cases.

We are concerned that NYSERDA was not directly mentioned in the Order. The Commission ordered that (p.9):

2. Consolidated Edison Company of New York, Inc., in consultation with the New York Power Authority, Department of Public Service Staff, and other appropriate agencies, is directed to file... by February 1, 2013, a Reliability Contingency Plan to address the possible closure of the nuclear generating facilities at the Indian Point Energy Center...

NYSERDA should clearly be among the "other appropriate agencies" with which Con Ed should have consulted, both of which the Commission required (p.5):

The Reliability Contingency Plan should take into account... the potential impacts of energy efficiency, distributed renewable generation, demand response, and combined heat and power projects.

NYSERDA has successfully supported all those technologies, and it is entirely appropriate that it not only be consulted, but that NYSERDA participate through direct incentives and other funding opportunities. To a great extent, Con Edison has focused its energy efficiency and demand response programs on mostly medium size and smaller loads, while NYSERDA has developed programs for the largest customers. Considering the magnitude of the resources that will be needed and the potential cost to ratepayers, Con Edison should not ignore the success NYSERDA has achieved among the largest customers. The failure of Con Edison and NYPA to include NYSERDA in its February 1 Plan diminishes its effectiveness by excluding the expertise and resources NYSERDA is able to apply to this serious issue.

The requirement for "halting mechanisms" is unnecessary.

In the Order, the Commission addressed the uncertainty of the retirement date for Indian Point thusly (p.5):

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The contingency plan...should include the form of Request for Proposals (RFP) that would be issued to procure needed resources... along with “halting mechanisms” in the event ... that the Indian Point Energy Center remains operational...

We believe this requirement is unnecessary and potentially costly. All projects are subject to contingencies and uncertain deadlines, and managing those risks is an intrinsic part of business management. The requirement for a specific “halting mechanism” raises the concern that potential bidders, and their financial backers, will view these risks as qualitatively different from the risks attending any other project of similar scope and scale. We fear the unintended consequence of this requirement will be to reduce the number of RFP responders, or to otherwise dramatically escalate the costs which must be passed on to ratepayers.

Thank you for your consideration of these comments.

Respectfully submitted,

Catherine M. Luthin

Executive Director
Consumer Power Advocates

cc: All Active Parties

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