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RENEWABLE ENERGY INITIATIVES GAIN MOMENTUM
— Strong Gains Seen in Developing Green Energy, Water Projects —

Albany, NY—April 23, 2008— The New York State Department of Public Service (DPS) today announced an update on its most important renewable energy initiative, the Renewable Portfolio Standard (RPS), as well as providing updates on other green initiatives.

“The generation of electricity from renewable sources increases energy diversity and promotes a better environment for us all,” said Department Chairman Garry Brown. “It is critically important to strengthen and promote renewable energy and other types of earth-friendly initiatives in New York. These are fundamental initiatives that will benefit us all in the future.”

The RPS initiative, now approaching its fourth year, continues toward its goal of having 25 percent of the state’s energy come from renewable sources by 2013. Since its creation by the Public Service Commission in September 2004, the initiative has supported development of 1,345 megawatts (MW) of renewable electricity, mainly wind and hydro. Last year, nearly \$267 million was contracted for renewable energy attributes in New York under RPS auspices, an increase of 49 percent from \$178 million in 2006.

The benefits of the RPS program have been significant and include diversifying the generation resource mix to improve energy security and independence, attracting economic benefits from renewable resource generators, manufacturers, and installers to New York State, and improving New York's environment by reducing air emissions and other adverse

environmental impacts of electricity generation. The New York State Energy Research and Development Authority is the administrator of the RPS program.

In terms of wind energy, the Commission certified one wind project this year capable of generating 112.5 MW of electricity, with more projects likely to be approved in the coming months. Currently there are five wind projects representing 379 MW that are providing energy resources into the electric system. There are six additional projects representing 492 MW about to come on-line. There are eight additional projects that are in the application process in various stages of the application process representing 850 MW of wind energy which should be coming on-line soon by the end of the year. And finally, there are 14 projects being proposed representing an additional 1,658 MW of wind energy. By the end of 2009 it is anticipated that 33 wind farms will be operating in New York providing more than 3,300 MW of wind energy.

The renewable energy projects in New York are having an impact toward achieving the 25 percent goal. Based on certifications approved by the Commission to date, electricity generated from non-hydro sources last year reached a record 3,428 gigawatt hours (GWh), enough power for more than 300,000 homes in New York, and representing an increase of 2.3 percent from 3,006 GWh in 2006.

Meanwhile, the number of companies offering electricity generated from renewable energy sources such as solar, wind, biomass and small or low-impact hydropower has grown substantially. In addition to the major utilities, nearly 20 private-sector energy service companies now offer consumers the option to purchase green power.

Depending on which utility's territory, the green power service provider chosen, and the type of green power, the incremental cost to purchase green power is from .5 to 2.5 cents per kilowatt hour more than the price normally paid for electricity for delivery and supply. Despite the added cost, thousands of New Yorkers are choosing green energy as an option as a way to support the production of electricity generation that has fewer environmental impacts.

In addition to green energy projects, the Commission is sending strong signals to encourage other regulated industries, such as private water companies, to look for ways to be more environmentally friendly. The Commission has been proactive in identifying ways to help improve the environment and save resources.

A decision made earlier this year found that a commercial operator of a water reuse system in a newly constructed or renovated residential building certified as environmentally designed, could be considered exempt from regulation as a waterworks corporation.

The company's systems involved an on-site wastewater and storm water collection system, treatment facility, and non-potable water reuse system integrated into a building's structure to produce reclaimed water that is distributed to residents for non-potable purposes, such as irrigation, flushing, and cooling processes. The Commission decision makes it easier and more cost-effective for the company to provide its specialized brand of services to building owners.