

STATE OF NEW YORK

# Public Service Commission

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## PSC STATEMENT REGARDING NEW CAPACITY ZONE

Albany, NY—05/28/14—We understand that the FERC-administered capacity market is designed to have a price signal high enough to incent new supply to maintain a reliable system and we are as concerned as FERC with the reliability of the system. However, in the short-term, this is beneficial only to existing generators in the region at the expense of consumers who pay while receiving no benefits. It is also of no benefit to new generators since they won't be on-line this summer, nor will new generators benefit until they actually bring plants on-line. We are disappointed and frustrated because FERC has been dismissive of our ongoing proceedings to construct transmission, as well as our efforts to address generator re-powering requests. These take time, but they will happen. Our greater concern is that FERC is ignoring consumer impacts, and its decision is an unnecessary transfer of wealth from consumers who are already reeling from last winter price increases. We are pressing on with the courts, and we will continue to press FERC to work with, not against, the State and its consumers.