

STATE OF NEW YORK

Public Service Commission

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PSC GREENLIGHTS GRIFFISS RENEWABLE POWER PLANT

— Technology Park to Woo Customers with Lower Energy Costs —

Albany, NY—02/11/10—The New York State Public Service Commission (Commission) today approved up to \$35 million in financing to build a 9.6 MW renewable-fueled electric and steam generation facility at Griffiss Business and Technology Park in Rome, Oneida County, to provide lower priced electric and steam service to tenants in the industrial park.

“Our decision today to approve the financing to build this state-of-the-art renewable energy power plant will be a win-win for the Griffiss Park and the Mohawk Valley economy,” said Commission Chairman Garry Brown. “Once the plant is operational, the operators will be able to offer electricity and steam service at the lowest possible cost, which will serve as a substantial incentive to attract and retain customers within the Park and fulfill its economic development functions. Lower energy prices — especially if they come from renewable energy sources — are good for all concerned.”

The power plant operator, Griffiss Utility Services Corporation, plans to install a biomass-fueled combined heat and power generation facility at the Griffiss Park. The facility is sized to meet electric and steam needs at the Griffiss Park, where it will supply approximately 75 percent of the Park’s electric demand and will replace the existing steam boilers, supplanting them as the source for meeting all steam load requirements.

The power plant operator will remain interconnected to National Grid to obtain the remaining 25 percent of its electric needs. Griffiss Utility is a not-for-profit corporation formed in 2000 for the purpose of assisting Griffiss Local Development Corporation (GLDC), the operator of the

Griffiss Park, in fulfilling its purpose of promoting economic development in the Rome, New York region.

Griffiss Park, a 3,500-acre complex containing approximately 80 buildings and 29 miles of road, formerly operated as a United States Air Force Base. The closure of most of the base beginning in 1995 adversely affected the local economy in the Rome region. GLDC was created to operate the Griffiss Park at the base in an effort to promote economic activity that would reverse the adverse effects of the closure.

Griffiss Utility manages the electric and steam utility services provided within the Park and it works with existing and prospective property owners and tenants on strategies to minimize energy costs. Electric and steam service at the Griffiss Park is furnished through an electric distribution grid comprised of two substations, numerous transformers, and hundreds of miles of underground and overhead transmission and distribution lines, and a steam system comprised of four boilers and 26 miles of underground steam distribution and condensate return piping.

The approved financing would take the form of tax-exempt revenue bonds issued by the Oneida County Industrial Development Agency, minimizing financing costs. Construction of the facility will enable it to reduce the cost of providing electric and steam service within Griffiss Park by approximately \$1.5 million per year. The cost savings will be passed on to customers.

Because it uses biomass as its primary fuel source, the facility will reduce carbon dioxide emissions at the Park by approximately 46,000 tons per year, the equivalent of taking more than 7,500 passenger vehicles off the road. Biomass also supports the local economy, through the injection of approximately \$3.5 million in spending annually into nearby forestry industry.

The Commission's decision today, when issued, may be obtained by going to the Commission Documents section of the Commission's Web site at www.dps.state.ny.us and entering Case Number 09-M-0776 in the input box labeled "Search for Case/Matter Number." Many libraries offer free Internet access. Commission orders may also be obtained from the Commission's Files Office, 14th floor, Three Empire State Plaza, Albany, NY 12223 (518-474-2500).