

STATE OF NEW YORK DEPARTMENT OF PUBLIC SERVICE
BOARD ON ELECTRIC GENERATION SITING AND THE ENVIRONMENT
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FOR RELEASE: IMMEDIATELY

08039/01-F-1276

Siting Board Rules on TransGas Application

Albany, NY—03/20/08—The Board on Electric Generation Siting and the Environment (Siting Board) today determined that the statutory requirements for issuance of a certificate of environmental compatibility and public need to TransGas Energy Systems LLC (TransGas) for construction of generation facilities have not been met.

TransGas made its Original Proposal for an above-ground, 1,100-megawatt gas-fired co-generating facility capable of exporting steam in the borough of Brooklyn in a filing on December 24, 2002, as supplemented. The company filed its second proposal, the so-called “Underground Proposal,” in an amendment to its application filed November 12, 2004, as supplemented. Finally, TransGas made a third proposal, the so-called “Electric-Only Proposal,” for an above-ground facility with an underground storage facility in a letter dated July 6, 2007 and in its August 24, 2007 supplemental filing.

The Siting Board today dismissed TransGas’ first and second proposals. The Original Proposal had been abandoned by the company and the Underground Proposal is not viable since TransGas has not obtained the right to use New York City property necessary for the second proposal. Also, the Siting Board today denied the Electric-Only Proposal, or third proposal, concluding that the proposed facility is:

- Incompatible with public health and safety because the back-up oil storage tank is needed;
- Inconsistent with New York City's land use regulations because of two-million gallons of oil storage capacity;
- Inconsistent with the State's interest in recreational resources, in light of New York City's plan to construct a 28-acre park surrounding Bushwick Inlet;
- Unable to minimize adverse environmental impacts considering the interest of the State with respect to aesthetics;
- Not in compliance with the applicable local coastal zone management policy (New York City's Waterfront Revitalization Program), pursuant to Executive Law, Section 915(8); and
- Not in the public interest because the benefits to the electric system of Consolidated Edison Company of New York, Inc., the customers of the system and the general public do not outweigh the adverse environmental impacts that would result from the construction of the facility.

The Siting Board members include Garry Brown, Chairman, New York State Public Service Commission; Alexander B. Grannis, Commissioner, New York State Department of Conservation; Daniel Gundersen, Chairman, Empire State Development; Richard F. Daines, M.D., Commissioner, New York State Department of Health; and Vincent A. DeIorio, Esq., Chairman, New York State Energy Research and Development Authority. The Ad Hoc Members are Theodore Atalsas, Esq., and Neil Sheehan.

A copy of the decision in Case 01-F-1276, when issued, will be available on the New York State Public Service Commission's www.dps.state.ny.us Web site by accessing the Commission's File Room section of the homepage. Many libraries offer free Internet access. Siting Board Orders may also be obtained from the Commission's Files Office, 14th floor, Three Empire State Plaza, Albany, NY (518-474-2500).