

STATE OF NEW YORK

Public Service Commission

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13047/12-E-0577

PSC SEEKS INPUT ON CAYUGA REPOWERING ALTERNATIVES

— **Comments Sought on Options to Mothballing Cayuga Facility** —

Albany, NY – 07/13/13 – The New York State Public Service Commission (Commission) announced today that it will be holding a public statement hearing to receive public comment on options available to New York State Electric and Gas Corporation (NYSEG) to address electric reliability concerns should the Cayuga coal-fired electric generating facility in Lansing, NY, be retired. The hearing will be preceded by a public information forum at which a description of the options under consideration will be provided.

On January 17, 2013, the Commission instituted a proceeding to examine options to address local electric reliability needs presented by the mothballing of two coal-fired electric generating facilities — one in Lansing, NY owned by Cayuga Operating Company, LLC., and one in Dunkirk, NY, owned by NRG Energy Inc. One alternative being examined is the conversion from coal to gas (known as repowering) of the Cayuga and Dunkirk facilities. The costs of any conversion would be paid by the interconnected utilities, NYSEG for the Cayuga facility and National Grid for Dunkirk.

The Commission directed NYSEG to evaluate repowering Cayuga as an alternative to transmission reinforcements should Cayuga be mothballed and required National Grid to do the same for the Dunkirk generating station. The companies are examining the relative costs and benefits of repowering the plants at their existing sites compared to the costs and benefits of

installing transmission reinforcements. NYSEG has completed its evaluation and has submitted a report to the Commission.

A copy of NYSEG's "Report on Cayuga Repowering Analysis," filed May 17, 2013, as well as other documents related to the case, is available on the Department of Public Service web site at <http://www.dps.ny.gov> under the Case Number 12-E-0577.

Public Statement Hearing

The public will have an opportunity to present their comments at the hearing before an Administrative Law Judge. A verbatim transcript of the hearing will be made for inclusion in the record of the proceeding.

The public information forum and public statement hearing will be held as follows:

Monday, July 29, 2013
Lansing Middle School
Auditorium
6 Ludlowville Road
Lansing, New York 14882

6:00 p.m. – Public Information Forum
7:00 p.m. – Public Statement Hearing

During the public information forum, the New York State Department of Public Service Staff will provide a brief overview of the purpose of the proceeding and next steps; NYSEG will provide a brief description of the transmission reinforcements and a summary of its Report; and Cayuga Operating Company will provide a description of the proposed repowering of the Cayuga facility. A question and answer period will follow the presentations.

It is not necessary to make an appointment in advance or to present written material in order to speak at the public statement hearing. Speakers will be called after completing a card requesting time to speak. Disabled persons requiring special accommodations may place a collect call to the Department of Public Service's Human Resources Management Office at (518) 474-2520 as

soon as possible. TDD users may request a sign language interpreter by placing a call through the New York Relay Service at 711 to reach the Department of Public Service's Human Resource Office at the previously mentioned number. If you have difficulty understanding English, please call the Department at 1-800-342-3377 for free language assistance services regarding this press release.

Other Ways to Comment

Internet or Mail: In addition to the formal hearings, comments may be sent electronically to the Acting Secretary, at secretary@dps.ny.gov, or mailed or delivered to Hon. Jeffrey C. Cohen, Acting Secretary, Public Service Commission, Three Empire State Plaza, Albany, New York 12223-1350. Your comments should refer to "Case 12-E-0577 – Proceeding to Examine Repowering Alternatives to Utility Transmission Reinforcements."

Toll-free Opinion Line: Comments may also be submitted through the Commission's Opinion Line at 1-800-335-2120. This number is designed to take comments about pending cases from in-state callers, 24 hours a day. Callers should press "1" to leave comments about "Case 12-E-0577 – Repowering Proceeding."

All public comments will become part of the record and will be posted and available for viewing on the Commission's Web site at <http://www.dps.ny.gov>. Persons interested in this proceeding and related documents may view them at <http://www.dps.ny.gov>. From the Department of Public Service's homepage under the caption "Commission Documents" enter the case number "12-E-0577" in the "Search by Case Number" field. If you have difficulty understanding English, please call us at 1-800-342-3377 for free language assistance services regarding this press release.