

1
2 **STATE OF NEW YORK**
3 **NEW YORK STATE PUBLIC SERVICE COMMISSION**

4 **THURSDAY, MARCH 20, 2008**

5 **SITING BOARD MEETING**

6 **Agency Building 3, 19th Floor**
7 **Albany, New York**

8
9 **A P P E A R A N C E S**

10 Garry A. Brown, Chairman, PSC
11 Theodore Alatsas, Esq., Ad Hoc Member
12 Keith Corneau, Alternate Commissioner, ESD
13 Louis A. Alexander, Alternate Commissioner, DEC
14 G. Anders Carlson, PhD, Alternate Commissioner, DOH
15 Hal Brodie, Alternate Chairman, NYSERDA
16 Neil Sheehan, Ad Hoc Member
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1 CHAIRMAN BROWN: Good afternoon. This is a meeting
2 of the New York State Board on Electric Generation Siting and the
3 Environment, constituted for Case 01-F-1276, the Application
4 filed by TransGas Energy Systems, LLC for a Certificate of
5 Environmental Compatibility and Public Need to Construct and
6 Operate a 1,100 Megawatt Generating Facility in the Borough of
7 Brooklyn, New York City.

8 I am Garry Brown, Chairman of the New York State
9 Public Service Commission and Chairman of the Siting Board.

10 To my immediate right is Louis A. Alexander,
11 alternate for Commissioner Grannis of the New York State
12 Department of Environmental Conservation.

13 To his right is Keith Corneau, alternate for
14 Chairman Daniel Gundersen of the New York State Empire State
15 Development.

16 To his right is Theodore Alatsas, an Ad Hoc Member.

17 To my immediate left is G. Anders Carlson, Ph.D.,
18 alternate for Commissioner Richard Daines of the New York State
19 Department of Health.

20 To his left is Hal Brodie, alternate for Chairman
21 Vincent Delorio of the New York State Energy Research and
22 Development Authority.

23 And to his left is Neil Sheehan, an Ad Hoc Member.

24 Secretary Brillling, are there any changes to the

1 matters noticed for discussion at today's meeting?

2 MS. BRILLING: There are none.

3 CHAIRMAN BROWN: Thank you. The proposed resolution
4 of this matter will be presented by Steven Blow of the Office of
5 General Counsel.

6 MR. BLOW: Thank you, Mr. Chairman.

7 Members of the board: You have before you a Draft
8 Order that resolves all issues concerning the application by
9 TransGas Energy Systems to construct and operate a major electric
10 generating facility. The location of the proposed facility is an
11 approximately eight-acre site in Brooklyn currently operated at a
12 fuel oil distribution terminal. The project site is located on
13 the East River waterfront directly south of the Bushwick Inlet
14 and across the river from approximately East 14th Street in
15 Manhattan.

16 TGE made its original proposal in its filing of
17 December 24, 2002, as supplemented. It set forth its second
18 proposal, the so-called "Underground Proposal", in an amendment
19 to its application filed November 12, 2004, as supplemented.
20 Finally, the applicant made a third proposal, the so-called
21 "Electric-Only Proposal", in its letter dated July 6th, 2007 and
22 in its August 24, 2004 supplemental brief on exceptions.

23 The Draft Order begins with a discussion of the
24 case's procedural background. The next section presents

1 information, mostly in chart form, on the distinguishing
2 characteristics of TGE's three facility proposals. The following
3 sections state that the parties have not yet suffered substantial
4 prejudice and that consideration of the Electric-Only Proposal is
5 proper. Thereafter, the Draft Order concludes that the Original
6 Proposal has been abandoned and that the Underground Proposal is
7 not viable because TGE has not obtained the right to use New York
8 City property necessary for that proposal. The bulk of the
9 remainder of the Draft Order discusses TGE's Electric-Only
10 Proposal and concludes that the facility is:

11 1. Incompatible with public health and safety
12 because of the back-up oil storage tank needed;

13 2. Inconsistent with the City's land use
14 regulations because of two-million gallons of oil storage
15 capacity;

16 3. Inconsistent with the State's interest in
17 recreational resources, in light of the City's plan to construct
18 a 28-acre park surrounding Bushwick Inlet;

19 4. Unable to minimize adverse environmental impacts
20 considering the interest of the State with respect to aesthetics;

21 5. Not in compliance with the applicable local
22 coastal zone management policy, that is, the City's New
23 Waterfront Revitalization Program, pursuant to Executive Law
24 Section 915(8); and

1 6. Not in the public interest because the benefits
2 to the electric system of Consolidated Edison Company of New
3 York, Inc., the customers of that system and the general public
4 do not outweigh the palpable adverse environmental impacts that
5 would result from the construction of the facility.

6 The general format for each section of the Order is
7 to set forth pertinent background information, summarize the
8 relevant arguments, and put forward a draft decision and
9 rationale.

10 In sum, the recommendations before you, as reflected
11 in the Draft Order, are to:

12 1. Adopt the recommended decision of Examiners
13 Robert R. Garlin and Kevin J. Casutto;

14 2. Deny the relief sought in any pleading other
15 than as discussed in the Draft Order;

16 3. Dismiss consideration of the facility proposed
17 in the original application filed by TGE;

18 4. Dismiss the amended application;

19 5. Deny the application of TGE for an electric-only
20 facility;

21 6. Return the remaining funds in the intervenor
22 account to TGE after the time for applying for judicial review of
23 this decision has expired; and

24 7. Close the proceeding.

1 Thank you, Mr. Chairman.

2 CHAIRMAN BROWN: Thank you. Before we take a vote
3 on the recommendations, do any of the Board members have any
4 comments or questions?

5 (No response.)

6 CHAIRMAN BROWN: Seeing none, all those in favor of
7 the recommendations, please signify by saying, "Aye."

8 (Responsive vote.)

9 CHAIRMAN BROWN: Any opposed?

10 (No response.)

11 CHAIRMAN BROWN: Hearing no opposition, the
12 recommendations are approved.

13 Madam Secretary, are there any further matters to
14 come before this Board today?

15 MS. BRILLING: No, there are none.

16 CHAIRMAN BROWN: This meeting is adjourned. Thank
17 you.

18 (Whereupon, the matter was concluded.)

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