

STATE OF NEW YORK

Public Service Commission

Garry A. Brown, Chairman

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PSC OKs SUBMARINE ELECTRIC CABLE IN NEW YORK CITY — Cable from NJ Will Help Improve NYC's Electric Grid Reliability —

Albany, NY—11/12/09—The New York State Public Service Commission (Commission) today approved the New York portion of a 6.6 mile, 345 kV AC, submarine electric cable system and associated cable and interconnection equipment, which will connect a new 512 MW natural gas generation plant in Bayonne, New Jersey to the existing Consolidated Edison Company of New York, Inc. Gowanus substation in Brooklyn, New York. The project is expected to come on line in the fourth quarter of 2011.

“The addition of 512 MW of capacity from the new Bayonne generating plant into the New York City electricity supply is anticipated to provide additional reliability benefits, environmental improvements, and potential price reductions,” said Commission Chairman Garry Brown. “The facility, along with the added generation supply, will bring benefits to the competitive market, and to ratepayers, as a result of the shift of financial expenditure and risk from the utility to the merchant developer.”

On October 5, 2009, parties filed a Joint Proposal, with proposed conditions, for an Article VII Certificate of Environmental Compatibility and Public Need (Certificate), a Suspended Sediment/Water Quality Monitoring Plan for Jet Plow Embedment Operations, and a proposed federal Clean Water Act Section 401 certification, for the construction, operation and maintenance of the New York portion of the submarine electric transmission facility running under the Hudson River.

The provisions of the Joint Proposal were unopposed and the signatories to the Joint Proposal were the applicant for the Certificate, Bayonne Energy Center, Staffs of the New York State Department of Public Service and Department of Environmental Conservation, the City of New York, and the New York City Economic Development Corporation. Provisions of the Joint Proposal seek to minimize the potential harm to the environment from construction and operation of the facility.

The Commission today concluded that construction of the facility meets the criteria of need, as required under Article VII of the Public Service Law, by providing additional generation in to New York City, reducing prices, providing for a cleaner generation mix than is presently available, and contributing to ensure system reliability in the event less generation is available.

Also, the addition of the new facility is consistent with the State Energy Plan, New York City's PlaNYC and the New York City Economic Development Corporation's Master Electrical Transmission Plan to ensure continued reliability of the electric grid using clean and efficient resources.

The Commission's decision, when issued, may be obtained by going to the Commission's www.dps.state.ny.us Web site, entering the Documents section and inputting Case 08-T-1245 in the box labeled "Search for Case/Matter Number." Many public 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).