

STATE OF NEW YORK

Public Service Commission

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RUSSELL STATION DEMOLITION & REMEDIATION PLAN REVIEW — RG&E to Develop Public Outreach & Communication Plan —

Albany, NY—05/17/12—The New York State Public Service Commission (Commission) today accepted Rochester Gas and Electric Corporation’s (RG&E) demolition and remediation plan (D&R Plan) detailing, among other things, the scope and sequence of work and environmental protection measures that would accompany the demolition of the company’s 257 megawatt coal-fired Russell Generation Station decommissioned in 2008.

To facilitate the cost review process, and provide for ongoing monitoring of the implementation of the D&R Plan, the Commission will require RG&E to make additional compliance filings concerning: the competitively-selected D&R contractor; cost control and quality assurance efforts; and quarterly reporting, starting in October 2012, listing environmental permits and approvals obtained, as well as detailed progress on structural demolition and site remediation once the D&R contractor commences operations. Also, RG&E is required to provide ground and surface water monitoring data in the reports.

Additionally, the company addresses in its D&R Plan the protection of the public in areas adjacent to and beyond the Russell site. The D&R Plan is to be implemented without adversely affecting the electric substation and transmission facilities it owns on property abutting the Russell site.

To help address issues the public and local officials may have related to the demolition and remediation work, a public outreach and communication plan will be developed by RG&E, to keep interested parties apprised of the progress of the work.

In addition, the Commission authorized RG&E to recover the costs of developing and implementing the D&R Plan from the approximately \$12 million currently held in the Russell decommissioning fund, and to the extent the costs exceed \$12 million, RG&E may defer costs in excess of the reserve fund. All such costs are subject to subsequent review by the Commission.

The Commission's decision, when issued, may be obtained by going to the Commission's www.dps.ny.gov Web site and entering Case 12-E-0025 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).