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STATE OF NEW YORK DEPARTMENT OF PUBLIC SERVICE
BOARD ON ELECTRIC GENERATION SITING AND THE ENVIRONMENT

Meeting to Consider the Petition Filed by Astoria Energy
LLC and Astoria Energy II LLC

3 Empire State Plaza
19th Floor
Albany, New York

April 7, 2009
9:30 a.m.

- BEFORE: GARRY A. BROWN, Chairman
NYS Public Service Commission
- LOUIS ALEXANDER,
Alternate for Alexander B. Grannis,
NYS Department of Environmental Conservation
- KEITH CORNEAU,
Alternate for Marisa Lago
NYS Department of Economic Development
- G. ANDERS CARLSON,
Alternate for Richard F. Daines, M.D.
NYS Department of Health
- JACKIE JERRY,
Alternate for Vincent A. DeIorio, Esq.
NYS Energy Research & Development Authority

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1 CHAIRMAN BROWN: Good morning. I would like
2 to call the siting Board meeting to order here on
3 April 7, 2009 and welcome all our visitors today.

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Hi, Maureen.

This is a meeting of the permanent Article X New York State Board on Electric Generation Siting and the Environment concerning case 08-F-1367, petition by Astoria Energy, LLC and Astoria Energy II, LLC.

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

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

To his right is Keith Corneau, alternate for Commissioner Marisa Lego of the New York State Department of Economic Development.

To my left is G. Anders Carlson, alternate for Commissioner Richard Daines, M.D., of the New York State Department of Health.

And to his left Jackie Jerry, alternate for Chairman Commissioner Vincent DeIorio of the New York State Energy Research & Development Authority.

The purpose of this meeting is to consider

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the petition by Astoria Energy for an amendment of its certificate of environmental compatibility and public need issued November 21, 2001 to permit the transfer of the certificate of environmental capability and public need.

Secretary Brilling, are there any changes to the matters noticed for discussion at today's meeting?

SECRETARY BRILLING: No, sir. There are no changes.

10 CHAIRMAN BROWN: Thank you.

11 The proposed resolution of this matter will
12 be presented by Assistant Counsel David Drexler.

13 David.

14 MR. DREXLER: Thank you, Mr. Chairman and
15 members of the Permanent Siting Board.

16 Astoria Energy, LLC is the holder of a
17 certificate of environmental compatibility and public
18 need which was issued pursuant to Article X of the
19 Public Service Law on November 21, 2001.

20 The certificate provides Astoria Energy with
21 the authority to construct an approximately 1,000
22 megawatt natural gas fired power plant in an industrial
23 area of Astoria, Queens.

24 For construction purposes, the Siting Board

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1 previously determined that the facility could be divided
2 into the two power blocks to be constructed in separate
3 phases. The first power block has already been
4 constructed, and as of May 2006 has been in commercial
5 operation. Construction has not yet commenced on the
6 second power block.

7 You have before you a draft order concerning
8 a petition filed by Astoria Energy which seeks to amend
9 the Article X certificate to specify that, one, the
10 certified facility will have a total capacity of
11 approximately 1,240 megawatts instead of the original
12 approximately 1,000 megawatts.

13 Two, the second power block will
14 interconnect with the New York Power Authority's

15 transmission facilities, instead of the original plan to
16 interconnect with Con Edison's substation.

17 And three, a revised interconnection --
18 construction schedule, rather, will be utilized to
19 accommodate construction of the second power block.

20 In addition, Astoria Energy requests a
21 transfer of the certificate from Astoria Energy to
22 Astoria Energy and Astoria Energy II, LLC jointly.

23 Comments were filed by the Building and
24 Construction Trades Council of Greater New York,

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1 Boilermakers Local Number 5, and the International
2 Association of Heat and Frost Insulators and Asbestos
3 workers.

4 These comments generally support the
5 revisions and the construction of the second power block
6 because of the construction jobs that would be created.

7 Comments were also filed by Assemblyman
8 Michael Gianaris, requesting that the Siting Board
9 determine whether there are any environmental issues
10 raised by the petition that necessitate additional
11 hearings or, alternatively, further investigation and/or
12 appropriate terms and conditions.

13 Regarding the request to transfer the
14 certificate, Assemblyman Gianaris suggested that the
15 petition does not demonstrate that Astoria Energy II was
16 qualified to carry out the provisions of the
17 certificate.

18 The recommendation before you, as reflected
19 in the draft order, is to grant the petition subject to
20 conditions. The requested amendments constitute

21 modifications that will not result in any material
22 increased environmental impacts and there are no
23 environmental impact issues that warrant the hearing.

24 In particular, a certificate amendment

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1 specifying maximum output of approximately 1,240
2 megawatts is consistent with the Siting Board's findings
3 supporting the issuance of the original certificate and
4 will not result in any significant increases in adverse
5 air quality impacts because the increase reflects a
6 higher steam turbine capacity than originally estimated
7 and not any significantly higher amount of fuel
8 combustion or air emissions.

9 In other words, combustion of the same
10 amount of fuel originally anticipated will result in a
11 higher amount of generated electricity than was
12 originally anticipated.

13 In addition, the modified interconnection
14 point will have minimal visual and aesthetic impacts on
15 the surrounding land use that is heavily characterized
16 by utility infrastructure.

17 Similarly, the modified construction
18 schedule is reasonable and will not result in any
19 material increases in the probable environmental impacts
20 that were previously determined to result from the
21 project.

22 However, several conditions are included to
23 ensure the project is constructed and operated in a
24 reliable manner, such as a required determination by the

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1 New York Independent System Operator that there will not
2 be any adverse reliability impacts.

3 Regarding the transfer to Astoria Energy and
4 Astoria Energy II jointly, conditions are included in
5 the draft order to ensure that the certificate holders
6 are qualified to carry out the provisions of the
7 certificate and any subsequent order issued thereunder.

8 Thank you, Mr. Chairman, and members of the
9 Siting Board. This concludes my presentation and I am
10 available for any questions.

11 CHAIRMAN BROWN: Thank you, David.

12 Any questions or comments from the board?
13 Seeing none, let's take up a vote then.

14 All those in favor of the recommendation
15 concerning the request to amend the certificate please
16 signify by saying aye.

17 (Ayes recited)

18 Opposed?

19 (No response)

20 Hearing none, the recommendation is adopted.

21 Madam Secretary, are there any further
22 matters to come before the board today?

23 SECRETARY BRILLING: There are no further
24 matters. Thank you.

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1 CHAIRMAN BROWN: Therefore this meeting is
2 adjourned. Thank you very much.

3 (Meeting adjourned.)

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