



July 15, 2013

The Honorable Garry A. Brown
Chairman
New York State Public Service Commission
3 Empire State Plaza
Albany, NY 12223-1350

Dear Chairman Brown:

We write to express our support for the proposal to repower the Cayuga Power Plant in Lansing, NY with natural gas. In addition to providing jobs and economic activity for the Tompkins County, natural gas is a low-cost, clean burning fuel that will reduce air emissions in the region.

Western Energy Alliance represents over 400 companies engaged in all aspects of environmentally responsible exploration and production of oil and natural gas across the West. Most of our members are independent producers – small businesses with an average of twelve employees. Although we are located in the West, the natural gas produced here provides a large, domestic source of natural gas for electricity generation across the United States.

The proposal would repurpose the current plant site. Repowering the Cayuga Plant will create up to 320 construction jobs for a 30 month period, and its indirect impact will be up to 563 construction jobs and 90 permanent jobs. This will keep permanent, high-skilled jobs in the community.

In addition to jobs, repowering the plant will provide significant economic benefits to the community and local governments. The plant will provide a significant property tax base, 10.5% of the school district base, 6.9% of the town tax base, and 1.3% of the county tax base. It will continue to add millions of dollars to the local economy through purchasing of local goods and services, performance of maintenance work and capital improvements.

The repowered Cayuga Plant would improve regional and system electric reliability, and it increase the power quality of the grid, allowing the area to attract today's high tech manufacturing. The use of natural gas addresses climate change issues through greenhouse gas reductions and higher efficiency, and repowering the plant promotes sustainability with brownfield development instead of greenfield development. The plant will maintain energy production in New York, reducing the reliance on imports from "dirtier" generation elsewhere, and it makes highly efficient, low cost, clean energy available to the grid at a low cost for all rate payers.

Our member companies have tapped into the abundant supply of natural gas in the United States and can provide fuel for electricity generation for many decades to come. U.S.

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natural gas production has increased by 4 trillion cubic feet (Tcf) since 2007,¹ and the Potential Gas Committee estimates we have a 110 year supply at current consumption rates.² We encourage the Public Service Commission to approve the repowering of the Cayuga Power Plant with clean, abundant and affordable domestic natural gas.

Sincerely,



Kathleen Sgamma
Vice President, Government and Public Affairs

CC: The Honorable Andrew M. Cuomo
The Honorable Patricia L. Acampora
The Honorable Gregg C. Sayre
The Honorable Maureen F. Harris
The Honorable James L. Larocca
The Honorable Catharine Young
The Honorable Andy Goodell

¹ [U.S. Crude Oil and Natural Gas Production in Federal and Non-Federal Areas](#), Marc Humphries, Congressional Research Service, February 28, 2013.

² [Potential Gas Committee Report](#), Potential Gas Committee, Dec. 2012.