



Curtis A. Morgan
President & CEO
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May 25, 2012

Mr. Gil C. Quiniones
Co-chair, Energy Highway Task Force
President and Chief Executive Officer
New York Power Authority
123 Main Street, 16th floor
White Plains, N.Y. 10601-3170

Dear Mr. Quiniones:

Empire Generating Co, LLC owns a 635 megawatt (MW), new, state-of-the-art, dual fueled combined cycle generating plant located in Rensselaer, NY (Empire Generating). Our plant, which was chosen by Power Engineering Magazine as the Gas-fired Plant of the Year for 2011, is one of the cleanest, quietest, and most energy efficient combined cycle plants in the country. Our facility, which utilizes General Electric technology, began commercial operation in September 2010 and has an outstanding operating history since that time. The Empire Generating plant was constructed during one of the worst economic recessions in U.S. history at an approximate cost of \$800 million. We cleaned up a heavily polluted brownfield site and employed over 500 people during construction while not asking the State for any contracts to purchase the power by any State agency. We took risk to build the state-of-the-art facility that New York consumers will enjoy for years to come.

As you are well aware, limitations of the existing transmission infrastructure in New York prevent consumers downstate from realizing the benefits of the clean, economical energy that is generated at our facility. With natural gas prices at a decade low and projected to remain in the \$3-6/MMBtu range for the foreseeable future, Empire Generating will be one of the facilities that the State can count on to provide clean, economical energy for years to come. It would seem there should be no argument that the State's electric transmission infrastructure should allow for the reliable flow of power throughout the State especially from upstate to downstate where prices vary greatly.

Although we are not proposing any specific projects to the Task Force at this time, we are writing to encourage that investments be made in the existing, in-State transmission infrastructure that will enable economical energy, like that produced at our plant, to flow throughout the State and help reduce electric bills of consumers. Transmission projects that will enhance the grid's capability to move economical energy from upstate to downstate will create jobs for New Yorkers and allow better utilization of the existing

result, higher income tax revenues to the State. And as you well know, the State needs both the jobs and the tax revenues that we provide.

We urge the Task Force to take action to make transmission infrastructure improvements in the State that will take advantage of the substantial investments that we and others like us have already made in the State to the benefit of its citizens.

Sincerely,



Curt Morgan