

**STATE OF NEW YORK  
PUBLIC SERVICE COMMISSION**

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Verified Joint Petition of Astoria Energy LLC and  
Astoria Energy II LLC For Approval of Debt  
Financing Pursuant to § 69 of the New York State Public Service Law

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**PETITION FOR ORDER AMENDING FINANCING AUTHORIZATION AND  
APPROVING DEBT FINANCING  
PURSUANT TO SECTION 69 OF THE  
NEW YORK STATE PUBLIC SERVICE LAW**

**I. INTRODUCTION**

Astoria Energy LLC (“AE”) and Astoria Energy II LLC (“AE II”) (AE and AE II referred to herein as the “Joint Petitioners”), submit this Verified Joint Petition for approval of additional debt financing pursuant to § 69 of the Public Service Law. Specifically, the Joint Petitioners request that the Commission issue a ruling authorizing AE to increase the amount of its total authorized debt, comprised of funded debt or letters of credit, from \$868,044,000 to \$1.65 billion. Joint Petitioners also request that the Commission issue a ruling authorizing AE II to increase the amount of its total authorized debt, comprised of funded debt or letters of credit, from \$1.45 billion to \$1.65 billion. The proposed debt increases are in the public interest because they would provide AE and AE II with continuing access to capital for their operations, pay for future improvements and enable each of them to take advantage of favorable borrowing conditions. These benefits will ultimately strengthen AE’s and AE II’s ability to provide cost-effective, safe, and reliable service to their customers.

**II. DESCRIPTION OF THE JOINT PETITIONERS**

**A. AE**

AE is the owner of an electric generation facility located in Queens, New York that has a summer electric power production and delivery capacity of approximately 580 MW (the “AE Facility”). AE sells the capacity and energy from the AE Facility at market-based rates into the NYISO markets. AE is an

“electric corporation” under the New York Public Service Law that is subject to light-handed Commission jurisdiction pursuant to orders issued by the Commission on March 26, 2004 and July 30, 2004 in Case No. 04-E-0058<sup>1</sup> and on May 22, 2007 in Case No. 07-E-0288<sup>2</sup>.

### **B. AE II**

AE II is the owner of an electric generation facility located in Queens, New York, adjacent to the AE Facility, that has a summer electric power production and delivery capacity of approximately 570 MW (the “AE II Facility”). In July 2008 AE II and the New York Power Authority (“NYPA”) entered into a tolling agreement (“NYPA PPA”) under which AE II supplies capacity and energy from the AE II Facility to NYPA for sale by NYPA to its customers. AE II is an “electric corporation” under the New York Public Service Law that is subject to light-handed regulation pursuant to the Order issued by the Commission on December 18, 2008 in Case No. 08-E-1111<sup>3</sup>.

### **III. PRIOR COMMISSION ORDERS APPROVING FINANCING**

On March 26, 2004, in Case No. 04-E-0201<sup>4</sup>, the Commission issued an order authorizing AE to issue debt in the amount up to \$725 million. On July 25, 2005, in Case No. 05-E-0457<sup>5</sup>, the Commission issued an order authorizing AE to issue debt in addition to the debt previously

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<sup>1</sup> Case 04-E-0058, *Astoria Energy, LLC-Petition for a Declaratory Ruling That the Commission’s Regulation of the Petitioners Will be Light Handed*, Order Providing For Lightened Regulation (July 30, 2004).

<sup>2</sup> Case 07-E-0288, *Astoria Energy LLC, Suez Energy, LLC and Suez Energy Development NA, Inc.- Petition for a Declaratory Order Finding That Commission Review of a Transaction is Not Required, or, in the Alternative, for Approval of a Transaction Pursuant to Public Service Law § 70, and for Reaffirmation of Lightened Regulation*, Declaratory Ruling on Review of an Ownership Interest Transfer and Making Other Findings (May 22, 2007) at 6.

<sup>3</sup> Case 08-E-1111, *Astoria Energy II LLC and Astoria Energy LLC- Petition for Approval of a Transaction Pursuant to Public Service Law § 70, Authority to Issue debt Pursuant to Public Service Law § 69, and for Lightened Regulation and request For Expedited Action*, Order Approving Transfers and Financings and Making Other Findings (December 15, 2008) at 12-13.

<sup>4</sup> Case 04-E-0201, *Petition of Astoria Energy LLC for Authority to Issue Debt to Fund the Construction of a 1000 Megawatt Generating Facility in the Borough of Queens, New York City*, Order Approving Financing, March 26, 2004.

<sup>5</sup> Case 05-E-0457, *Astoria Energy LLC- Petition for Authority to Incur Debt in an Amount that Exceeds the \$725,000,000 Previously Authorized by the Commission*, Order Approving Financing, July 25, 2005.

approved in the amount of \$93,044,000 for additional letters of credit and \$50,000,000 for additional debt obligations.

On December 18, 2008, in Case No. 08-E-1111<sup>6</sup>, the Commission issued an order authorizing AE II to issue debt in the amount of \$1.15 billion in notes or mortgage bonds and \$300 million in letters of credit.

In their petitions seeking approvals of financings in the cases cited above, AE and AE II indicated that the financings were required to support construction, operations and maintenance of their facilities and to provide working capital for those activities. In the orders approving the financings, the Commission noted that the scrutiny applicable to monopoly utilities may be reduced for lightly-regulated companies that operate in a competitive environment and that it need not make an in-depth analysis of the proposed financings. The Commission stated that the financings appear to be for a statutory purpose and do not appear contrary to the public interest. As such the Commission found in each case that approval of the financings was appropriate under lightened regulations.

#### **IV. THE PROPOSED INCREMENTAL FINANCING**

Both AE and AE II are seeking to increase their total authorized debt, comprised of funded debt or letters of credit, to \$1.65 billion. In other words, AE's total debt amount, comprised of funded debt or letters of credit, would increase from the currently authorized \$868,044,000 (\$725 million plus \$93,044,000 plus \$50,000,000) to \$1.65 billion and AE II's total debt amount, comprised of funded debt or letters of credit, would increase from \$1.45 billion (\$1.15 billion plus \$300 million) to \$1.65 billion. These proposed incremental increases will be used for the same purposes as the original financing approved by the Commission in the prior financing Orders cited above; to provide capital to pay for future improvements to the AE Facility and the AE II Facility,

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<sup>6</sup> See footnote 3, *supra*.

provide access to capital for their operations, maintenance and working capital needs, and allow each company to take advantage of favorable borrowing conditions.

## **V. THE COMMISSION SHOULD AUTHORIZE THE INCREMENTAL FINANCING**

Pursuant to Public Service Law § 69, Commission authorization is necessary for an electric corporation to enter into indebtedness payable at periods of more than 12 months. AE and AE II are subject to lightened regulation, as established for AE in Case No. 04-E-0058 and Case No. 07-E-0288 and for AE II in Case No. 08-E-1111. The scrutiny applicable to monopoly utilities under PSL § 69 may be reduced because such scrutiny is not needed to protect captive New York ratepayers. AE and AE II bear the financial risk of their financial arrangements.

As the Commission stated in prior financing orders, provided that the proceeds of a financing are for a statutory purpose and in the public interest, lightly-regulated entities operating in a competitive environment, like AE and AE II, are “typically afforded broad latitude to determine the amount and type of debt that is needed to support corporate operations.”<sup>7</sup> The proposed incremental financings here are for a statutory purpose and in the public interest because they will make ready capital available to pay for future improvements to the AE Facility and the AE II Facility, provide AE and AE II with continuing access to capital for their operations, maintenance and working capital needs, and allow them to take advantage of favorable borrowing conditions.

Consistent with financings approved for other lightly-regulated entities operating in a competitive environment, and as the Commission specifically found in the prior financing orders

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<sup>7</sup> Case 17-E-0016, *Petition of TC Ravenswood, LLC, TC Ravenswood Services Corp. and Helix Generation for Expedited Approval of a Transfer and Financing Pursuant to Lightened Regulation*, Order Approving Transfer Subject to Acceptance of Conditions and Making Other Findings (April 19, 2017) at 4 (“Ravenswood Transfer Order”).

cited above, additional scrutiny is not required to protect captive New York ratepayers, who cannot be harmed by the terms arrived at for these financings, because lightly-regulated participants in competitive markets bear the financial risk associated with their financial arrangements.

In addition, Joint Petitioners seek the flexibility to modify, without prior Commission approval, the identity of the financing entities, payments terms, and the amount financed, up to the limits requested. This flexibility is needed so that Joint Petitioners may quickly modify or refinance these financings to take advantage of changing market conditions. Such requests have been routinely granted to other lightly-regulated entities seeking Commission approval for proposed financings.<sup>8</sup>

Finally, because Public Service Law § 69 approval of a securities issuance is a Type 2 action under the State Environmental Quality Review Act, 16 NYCRR §§ 7.2(a) and 7.2(b)(2)(v), no further review of this request is required under that statute.<sup>9</sup>

## **VI. CONCLUSION**

Based on the foregoing, Joint Petitioners respectfully request that the Commission issue an order approving the financings described above consistent with Commission precedent for lightly-regulated entities.

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<sup>8</sup> See for example Case 18-E-0032, *Petition of Fortistar North Tonawanda Inc.*, Order Approving Financing and Making Other Findings (issued April 20, 2018) at 6-7 (“FNT Financing Order”); see also Ravenswood Transfer Order at 34.

<sup>9</sup> See for example FNT Financing Order at 6, fn 8.

Dated: December 15, 2025  
Albany, New York

Respectfully submitted,

*Leonard H. Singer*

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STATE OF NEW YORK  
PUBLIC SERVICE COMMISSION

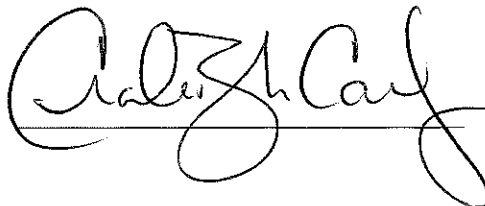
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Case 25-\_\_ -\_\_

VERIFICATION

STATE OF New York )  
 ) ss.  
COUNTY OF Queens )

I, Charles McCall, being first duly sworn, attest that I am the Chief Executive Officer of Astoria Energy LLC and Astoria Energy II LLC and that I have authority to verify the foregoing Verified Joint Petition. I have read the foregoing Verified Joint Petition and I affirm the facts, representations and statements set forth herein regarding Joint Petitioners Astoria Energy LLC and Astoria Energy II LLC are true and correct to the best of my knowledge, information and belief.



Sworn to before me this 11 day  
of December, 2025

Carla C Ferrari  
Notary Public

