

April 2, 2014

Kathleen H. Burgess, Secretary
Public Service Commission
3 Empire State Plaza
Albany, New York 12223-1350

RE: Case #12-E-0577, Proceeding on Motion of the Commission to Examine Repowering Alternatives to Utility Transmission Reinforcements

Dear Ms. Burgess:

I am writing to you on behalf of S. Howes in support of the final agreement in Case #12-E-0577 between National Grid and NRG Energy, Inc.

Reliable and cost competitive electrical power is imperative to a maintaining and building a strong manufacturing base. This project is important to New York in that we must remain in the business of manufacturing electricity to advance our self-sufficiency in an effort to maintain stability and security of the grid. If we are to re-build the upstate economy we must make investments in our energy future and security and have the capacity and reliability to meet the energy needs of our manufacturers now and into the future.

Repowering the plant will contribute significantly to the economy of our entire region. NRG plans to maintain over fifty permanent jobs at the plant, and will create another 50 construction jobs during the reconstruction. These employment numbers are critical for our region. In addition, because the firm spends an estimated \$30-million annually for goods and services in Western New York, the effect on the economy is substantially greater than just the jobs created at that facility. NRG is also the largest, single taxpayer in Chautauqua County and maintaining the plant is critical to stabilizing taxes for the City of Dunkirk, the Dunkirk Public Schools, and the county as a whole.

It is important to note that the repowering project meets the criteria outlined within Governor Cuomo's "NYS Energy Highway Task Force Blueprint" in that it assures that long-term reliability of the electric system is maintained, contributes to an environmentally sustainable future for New York, encourages the development of utility scale renewable generation by helping stabilize the grid so that solar and wind can be developed and made more reliable, creates jobs for New Yorkers and is a project that will help connect Western NY resources to downstate energy demand.

The NRG project is an investment in energy reliability, cost competitiveness, a cleaner environment and a bright future. We respectfully ask the Public Service Commission to approve the term sheet to allow for the repowering of NRG.

Very truly yours,
S. Howes, Inc.
Frederick J. Mertz, President