

May 5, 2010

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New York State

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Partnership for  
New York City

The Honorable Alexander "Pete" Grannis  
Commissioner  
New York State Department of Environmental Conservation  
625 Broadway  
Albany, New York 12233-0001

Dear Commissioner Grannis:

As leaders of business and labor organizations throughout New York State, we are seriously concerned about the draft DEC Policy, issued March 4, 2010, regarding Best Technology Available (BTA) for Cooling Water Intake Structures.

This measure would effectively require large and expensive cooling tower structures at the power plants that generate 54 percent of New York's electricity. We believe the net effect of this measure will be increased electricity prices and rising unemployment in New York State. All New Yorkers will ultimately be negatively impacted by the adoption of this measure.

Additionally, this policy will lead to another significant consequence. The measure will jeopardize the reliability of New York's electricity grid, particularly as New York State continues without a statewide power plant siting law, such as the Article X statute that has been expired for more than seven years.

Implementing the mandated changes will cost \$8.5 billion, according to your department's estimates. While other experts believe the costs will be significantly higher, this extraordinary costs leads to our conclusion that enactment of this policy will drive businesses out of New York, cost jobs across the state, and raise rates for commercial and residential electric customers throughout New York. In this time of economic uncertainty, the anticipated economic impacts of this policy are unacceptable.

Finally, we urge the DEC to be mindful of last year's U.S. Supreme Court decision that concludes that cost-benefit analysis can be used when determining environmental regulatory policy. As part of this process, we urge the facilitation of an independent cost-benefit analysis to determine the following:

- The number of New York power plants likely to close as a result of this policy.
- The amount of additional costs in the form of higher electricity prices that will be borne by New York consumers and businesses.
- The number of job losses anticipated at closed plants and in the reduction of economic activity throughout the state. We would also like to know if to date the DEC has made any calculation regarding job losses from this proposed policy.

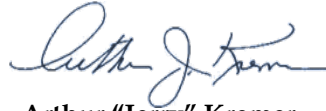
We would appreciate the opportunity to discuss these issues with you in person and welcome your response to our concerns expressed here. Thank you for your attention to this matter.

-more-


The Honorable Alexander "Pete" Grannis  
May 5, 2010

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Sincerely,



**Arthur "Jerry" Kremer**  
Chairman



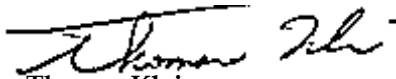
**Edward J. Malloy**  
President  
NYS Building and Construction Trades Council



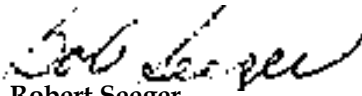
**Gavin J. Donohue**  
President and CEO  
Independent Power Producers of New York, Inc.



**James Castellane**  
President  
Nassau and Suffolk Building Trades



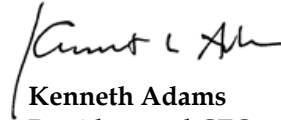
**Thomas Klein**  
Business Manager  
Boilermakers Local 5



**Robert Seeger**  
Business Manager  
Millwrights Local 740



**Dennis Ippolito**  
Business Manager  
Insulators Local 12



**Kenneth Adams**  
President and CEO  
Business Council of New York State



**Michael J. Elmendorf, II**  
State Director  
National Federation of Independent Business



**Michael Oates**  
President and CEO  
Hudson Valley EDC



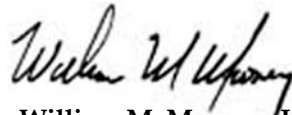
**Dr. Marsha Gordon**  
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**Al Samuels**  
President and CEO  
Rockland Business Association



**Lenny Caro**  
President & CEO  
Bronx Chamber of Commerce



**William M. Mooney, Jr.**  
President  
Westchester County Association

cc: Governor David Paterson  
Senator George Maziarz  
Assemblyman Kevin Cahill