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Cayuga Continues to Pursue Renewables and Repowering

Lansing, NY - The Cayuga Operating Company announced today that it continues to pursue plans to develop a large scale solar farm on the its 434-acre site in Lansing while also seeking State approval to close one of the two coal-fired boiler units at the 308 megawatt facility and repower it with cleaner natural gas.

The company confirmed that it plans to bid the 18 megawatt “Cayuga Solar” farm into an upcoming August open solicitation issued by the New York State Energy Research & Development Authority (NYSERDA) seeking over 1.5 million renewable energy credits (RECs) from qualified renewable energy projects. Furthermore, Cayuga officials recently filed an air permit modification application with the New York State Department of Environment and Conservation (DEC) seeking approval to repower one of the two coal-fired units using natural gas transported by truck, rather than via a pipeline.

Cayuga officials believe the plan to combine what would be one of the larger solar farms in the State and repowering to cleaner natural gas reflects the energy transition underway in the State with the added benefit of retaining current union jobs and employing about 238 construction workers to convert the boiler and build the solar farm. The Cayuga Solar farm would be developed on 75 acres and company officials have also agreed to work with Lansing School District officials and Tompkins Cortland Community College to incorporate the construction and operation of the solar farm into their school curriculums, establishing the solar farm as an ongoing educational resource for Lansing, as well as an economic and environmental one.

“We recognize and embrace the role renewable energy and natural gas will play in the better energy future we all want for New York,” said Jerry Goodenough, the Vice President of Development for Cayuga. “We believe these projects will help New York achieve its energy goal while also establishing Cayuga’s future commercial viability.”

A poll of Tompkins County residents last summer demonstrated broad and firm support across all demographic groups for the repowering of the coal plant to natural gas and renewable energy sources. Tompkins County voters were broadly favorable to the Cayuga plant’s conversion, with 64% of voters favorable, 21% neutral, and just 11% with unfavorable

attitudes, according to national polling firm Hart Research Associates, which conducted the survey. There was also an intensity in their attitudes with 64% of respondents in favor of the plan, suggesting an electorate that is firm in its support, according to Hart's analysis.

Cayuga envisions the 18 MW solar farm and the repowering of a 155 MW unit from coal to natural gas as part of a multi-phase development plan for a new Cayuga, one that would create an "energy park" on the site to locate manufacturing and other energy-intensive commercial operations. This new vision for Cayuga also begins to address longstanding local concerns about the loss of revenue for schools and local services if the coal plant closes.

"New York's energy mix is in transition, and Cayuga is moving in the right direction," said James Cahill, the President of the New York State Building and Construction Trades. "These steps will preserve good-paying union jobs at the plant, and will also benefit local residents and the surrounding communities."

Bids for the NYSERDA renewable energy solicitation are due August 15, 2018 and awards are slated to be announced in October 2018. If Cayuga Solar was selected, company officials would propose to begin construction by Spring 2019 and be in commercial operation by July 2020.

The DEC application for conversion of one boiler to natural gas was filed May 1. Barring any delays in the normal NYSDEC process and public hearing timelines the decision on the application to modify the permit is expected within 10-12 months.

"The Cayuga Operating Company's announcement that it plans to pursue developing a large-scale solar farm while converting one of its coal-fired boiler units to natural gas is exciting news for Lansing and the entire Finger Lakes region," said New York State Senator Pam Helming (District 54). "This is a significant step forward not only for our environment – reducing air emissions and preserving our lakes – but also for our economy by employing local people to complete this project. I applaud Cayuga Operating Company for working toward a better energy future for our environment and our economy, and I look forward to seeing the final result of this project."

Trucking natural gas to the Cayuga site for repowering eliminates the need to permit and construct a natural gas pipeline to the facility. Some local leaders applauded this decision, saying they feared a long and contentious battle over a pipeline path and construction.

To repower one Cayuga unit from coal to gas would reduce emissions of greenhouse gases like CO₂ (carbon dioxide) by 60% and NO_x (nitrogen oxide) by 80% while eliminating sulfur emissions completely.

"We commend Cayuga Operating Company for advancing an innovative solution to meet the energy needs of today and tomorrow," said Heather C. Briccetti, Esq., President and CEO of The Business Council of New York State, Inc. "Pairing renewable resources with natural gas at one location is a win for the state's energy grid, the environment and consumers."

Depending on market conditions, Cayuga estimates the number of trucks transporting CNG to the facility could be anywhere between 25 and 60 a day. According to statistics from the Ithaca Tompkins County 2017 Transportation Council Report this would represent a less than 1% to 2% increase in traffic on Route 34B, the main access route to Cayuga. Furthermore, the trucks transporting the compressed natural (CNG) are fueled by CNG themselves, thus reducing transportation air emissions significantly when compared to the emissions profile from the current practice of hauling coal by train. The U.S. Department of Energy's Alternative Fuels Data Center states that natural gas vehicles are safer than those powered by gasoline or diesel and the fact that CNG is lighter than air further enhances its safety.

"Tompkins County Area Development looks forward to continuing to work with the Cayuga Operating Company on strategies that will ensure the continued or increased generation of property taxes as well as employment opportunities at their site in the Town of Lansing," said executive director Michael Stamm. "We are especially interested in the concept of an energy park where the existing infrastructure would be utilized as leverage to stimulate private sector investment and job creation."

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Cayuga Solar

Economic, Environmental, Educational Benefits

- o One of largest solar farms in New York State, largest Upstate
- o Up to 150 union construction jobs
- o Estimated construction cost in excess of \$25 million
- o Competitive advantages: existing site control and interconnection
- o Favorable zoning
- o PILOT/local tax revenue (TBD)
- o Equivalent of powering 3,100 homes with no emissions
- o Utilizes Final Cover Portion of existing coal ash landfill
- o Incorporation into Tompkins Cortland Community College and Lansing School District curriculums

Cayuga Solar Farm Property Maps

