

Congress of the United States
Washington, DC 20515

March 11, 2014

Hon. Cheryl A. LaFleur
Acting Chairman
Federal Energy Regulatory Commission
888 First Street, NE
Washington, DC 20426

Re: NYISO New Capacity Zone

Dear Acting Chairman LaFleur:

We are writing in support of the New York Public Service Commission's petition seeking reversal of FERC's decision to approve a new capacity zone (NCZ) in the lower Hudson Valley and New York City. FERC's August 13, 2013 (Docket No. ER13-1380) and January 28, 2014 (Docket No. ER14-500) decisions could impose an unprecedented \$230 million increase in energy costs for our region in just the first year, and nearly \$500 million in increased costs over a three-year period. Millions of people and businesses will be adversely affected by the NCZ order. Unless action is taken to avert this unreasonable cost before the May 2014 effective date of the new capacity zone, there will be a drastic negative financial impact on our residents and businesses, many of whom are still struggling to emerge from the recent recession.

Before instituting a new capacity zone that would result in an overnight increase in energy bills to our constituents, we ask that FERC take into account a number of initiatives already underway that will reduce electricity costs to consumers and businesses in our districts and address the concerns that led to the new capacity zone's creation. These measures include greater investments in transmission capacity and enhanced development of renewable technologies, like solar and wind energy, or projects like Taylor Biomass in Orange County. Governor Cuomo has rightly identified energy issues as a priority, and we look forward to working with him on this so that Hudson Valley residents don't face even greater energy costs.

In light of all this, we strongly encourage FERC to refrain from any decision that would result in increasing energy costs and cause significant economic harm.

Thank you for your urgent attention to this matter. Should you have any questions, please do not hesitate to contact us.

Thank you for your consideration.

Sincerely,



Eliot Engel
Member of Congress



Sean Patrick Maloney
Member of Congress