



November 29, 2011

RE: NYS Electric Transmission Upgrades

MEMORANDUM IN SUPPORT

The Buffalo Niagara Partnership, representing 2500 Buffalo Niagara employers, supports investment in the upgrading of New York State's electric transmission lines to address "transmission congestion" caused by the current aged and unreliable line infrastructure.

There continues to be a growing demand for electricity from New York City and Upstate New York has abundant available power produced by local power plants, but choke points along the line infrastructure limits the supply of electricity. The lack of supply coupled with high demand has resulted in a major increase in the cost of power for New York City, almost \$250 million in 2008 alone. New York City has been forced to outsource to other states and Canada for power, when Upstate New York's power producers are able to fulfill the demand, if not for the inability to deliver power.

Transmission infrastructure investment is a job protector and job creator. Not only will transmission congestion relief allow Upstate power plants to keep, and grow, their jobs base, but a recent study by The Brattle Group shows that for each \$1 billion in transmission investment, 12000-13000 direct and indirect jobs will be created. This investment, coupled with protecting current jobs in Upstate, will directly benefit the economy and regional tax bases across New York State.

Investment in New York's transmission infrastructure has been a long-standing item in the Buffalo Niagara Partnership's annual Regional Agenda, which is compiled with the Counties of Erie and Niagara and the Cities of Buffalo and Niagara Falls. State prioritization of effective infrastructure investment in the energy delivery system in order to modernize the grid will account for improved reliability, diversity in generation supply, clean energy sources and overall supply accessibility. These results will have an overwhelmingly positive impact on economic growth throughout New York State.

The Buffalo Niagara Partnership supports the immediate upgrade of New York State's transmission line infrastructure.