

Niagara Generation, LLC

2013 FEB -8 AM 10:00

February 7, 2013

Hon. Jaclyn A. Brillig
New York State Public Service Commission
Three Empire State Plaza
Albany, New York 12223

Re: Notice of Intent to Mothball
Niagara Generation, LLC Biomass Facility
5300 Frontier Avenue, Niagara Falls, New York

Dear Secretary Brillig:

Niagara Generation, LLC ("Niagara Generation") is the owner and operator of the generating facility at 5300 Frontier Avenue, Niagara Falls, New York that is comprised of one boiler and one 51 MW steam turbine generator (the "Facility"). Pursuant to the New York Public Service Commission's ("Commission") Order Adopting Notice Requirements for Generation Unit Retirements,¹ Niagara Generation hereby provides this written notice ("Notice") that it intends to mothball the Facility effective May 9, 2013 (the "Mothball Date"). The 51 MW pyropower solid fuel fired steam Facility was first operational in 1990.

The current power prices and market conditions in New York State are such that it is no longer economical for Niagara Generation to continue operating the Facility. The Facility will remain capable of generating power until the Mothball Date. After the Mothball Date, Niagara Generation will ensure that appropriate maintenance is conducted such that the Facility can be returned to service in the future. Niagara Generation will also continue to comply with all applicable environmental laws and regulations, including maintaining valid environmental permits and authorizations.

Pursuant to the Order and Technical Bulletin No. 185 issued by the New York State Independent System Operator ("NYISO"), Niagara Generation has sent a copy of this Notice to the NYISO via e-mail directed to its designated web address. The Order further provided that notice must be sent to "any affected T&D utility". Accordingly, Niagara Generation has also provided a copy of this Notice to National Grid, the T&D utility within whose service territory the Facility is located and to which the Facility is interconnected.

¹ Case 05-E-0889 Proceeding on Motion of the Commission to Establish Policies and Procedures Regarding Generating Unit Retirements, *Order Adopting Notice Requirements for Generation Unit Retirements*, December 20, 2005 ("Order"). In the Order, the Commission defined "retirement" to include, *inter alia*, "mothballing, and other circumstances where a generating unit is taken out of service for a substantial period of time, excluding scheduled maintenance and forced outages."

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Kindly date-stamp the copy of this Notice provided herein and return it to the address listed below.

Please contact me at 914-390-9610 if you have any questions concerning this Notice.

Sincerely,

A handwritten signature in black ink, appearing to read "Jonathan Koch", with a long horizontal flourish extending to the right.

Jonathan Koch,
President
Niagara Generation, LLC

Cc: New York Independent System Operator at generator_retirement@nyiso.com (via e-mail and overnight mail)
National Grid