

October 28, 2009

State Energy Plan Comments NYSERDA 17 Columbia Circle Albany, NY 12203-6399

Re: Comments on Final Draft of 2009 New York State Energy Plan

Tennessee Gas Pipeline has been an interstate transporter of natural gas in New York for over fifty years providing service to both upstate and downstate utilities, and power plants. We welcome the opportunity to provide the following comments on the 2009 New York State Energy Plan (SEP) released in August.

The SEP is a very thorough document addressing a broad spectrum of issues and challenges in the energy arena within the State. Our comments are predominantly limited to the areas most related to our business, but include some general comments as well.

Natural gas has played, and is expected to continue to play an important role in the energy portfolio in New York. Tennessee agrees that there are opportunities for natural gas to contribute to growth and to provide environmental benefits to New York due to its clean burning properties relative to other fossil fuels. The replacement of fuel oil in power markets and further penetration into the R&C market are prime examples that make sense.

The development of the Marcellus Shale provides a great opportunity to develop more local natural gas supplies to meet the needs of the State, provide a boost to the local economy, and enhance the cost effectiveness of incremental energy. New infrastructure is critical to bring this gas to market. These infrastructure additions also have the potential to increase the reliability of pipeline systems currently serving the State. Cooperative efforts between agencies and other governments will assist in meeting the New York's goals. We believe this can be accomplished in an environmentally responsible way.

Tennessee welcomes the opportunity to work with the State to execute the relevant portions of the SEP and to contribute through the process. Thank you for the opportunity to comment.

Sincerely,

Susan King

Regional Director, Government Affairs