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Truths about the Proposed York Energy Storage Hydroelectric Project (YES) in Pennsylvania

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It is time tell the truths about the proposed 850 MW, long term storage project near the Susquehanna River in Pennsylvania, why it is being proposed and the many benefits to all in the region acknowledge the organizations and individuals who may not be properly informed and are directly opposing the project. Recently, a group of "environmentalists" filed a Federal lawsuit in Philadelphia to stop the Federal Government (Federal Energy Regulatory Commission) from allowing YES to study the future improvements to the regional PJM electricity grid and its millions of users.

These well-intentioned groups think they are helping their communities. However, their awsuit will really stop progress and prevent the many benefits to the people of the region. This release will explain the many intended facts and truths that must be considered in planning a major addition to our electrical system and highlight the failures that can be caused by the lawsuit. The truths are:

- 1. Need for the Project. The Pennsylvania-Jersey-Maryland or PJM electrical grid that manages power for 10 states and 60 million customers is projecting a sharp increase in use of electricity in our region over the next ten years. The 850 MW, long-term storage York Energy Storage (YES) project will help meet the expected peak loads. Failure to meet the growing loads will cause unreliability in electricity supplies, resulting in blackouts and brownouts, misery, inconvenience. Shutdowns, increased costs and much more. Solutions are needed and YES is an important one. This is the reason FERC has issued a Preliminary Permit to YES so it can perform the studies needed for proper planning before approval is ever given to start construction.
- 2. Pro-Business. The YES project will create significant Economic Development for Pennsylvania and the region. For instance, if the project proves to be needed, there will be a major contract awarded for the supply of large Turbine / Generator equipment worth hundreds of millions of dollars. In the nearby City of York, the Voith company, an international leader in hydroelectric equipment, would likely be selected. This will result in many years of work for the company, its employees, suppliers and prosperity of the region. Many other companies in the area would also be needed for material supplies, services, equipment rentals, engineering, banking, hospitality and many more. The lawsuit, if successful, will not only stop the necessary planning, but will eliminate the possibility of business for these companies forever.
- 3. <u>Pro-Labor.</u> If successful, the project will need well-paid, highly skilled construction workers over five years estimated at 300 craftsmen and their families. When completed, the project will require a new workforce of 30 to 50 highly trained operators and maintenance personnel. The lawsuit, if successful will eliminate these needed jobs and hurt the families they affect.
- 4. <u>Pro-Residents.</u> If the project proceeds to construction, it is the strong intent of YES to assist all of the current residents in finding better living quarters of their choice and at a significant financial gain for them. This will reduce the need to use eminent domain rules. However, if successful, the lawsuit will leave the 50 or so existing residents and property owners on the proposed project site to stay in place without any future benefits.

- 5. Pro-Tax Reduction. Currently, the 50 properties in the proposed project area pay a combined \$100,000 per year in property taxes to the nearby Chanceford Township, Red Lioh School District, and York County. A very preliminary tax assessment of the 1,000 acre YES project is \$1 billion yielding a property tax payments by the project of \$30 million per year. Obviously, this can lower property taxes for thousands in the Township, hundreds of thousands in the School District and millions in the County. Interestingly, the project will probably need very little in area services. However, if the successful, the lawsuit will eliminate the possibility of a huge lowering of property taxes for residents.
- 6. Need for-Schedule. Whether successful or not, the lawsuit will have the effect of delaying the entire project schedule from start to completion. This delay has severe financial consequences to the project. Delaying the start of the project, if it becomes needed, will increase the costs of all parts of the project for about one year. A one year delay will result in increased all construction costs due to normal inflation estimated to be \$50 to \$100 million. This will be a cost increase to the eventual project users. Additionally, a one year delay will result in losses of revenues for the project of more than \$300 million in that first year alone. Should the Federal court rule in favor of FERC for this lawsuit, there is a likelihood of a counter-suit against the "Environmentalists" for the above delay damages.
- 7. Pro-Community Development. Again, the owners of YES are very aware of the many needs and desires of the local families, organizations and governments and their desires to improve their lives. It is our intention to support new community ideas both financially and actively perhaps recreation facilities, fishing areas, hiking trail improvements, community centers, etc. The aim of the lawsuit is for others to do nothing, to resist change, to keep the area of the project untouched by humans except if it is their idea.
- 8. <u>Pro-Technology.</u> The YES project will be an upgrading of technology clean, efficient, necessary, almost invisible and is actually in the best possible location for pumped storage in the eastern United States. The lawsuit envisions the YES project and probably others like it as a scar on the landscape. The idea that a power generation project in the area is bad, looks bad is polluting, is wasting energy, should be located elsewhere and is not true.

In conclusion, it should be obvious to almost all sectors of the local economy, that the YES project will benefit millions of people for many, many years in the future. A successful lawsuit in the Federal Courts does very little to help many people now and in the future. The Federal Energy Regulatory Commission, after a year of careful consideration, and in line with its expertise, duties and the law, has issuing a Preliminary Permit, that the YES project is worth serious investigations and likely to meet the electricity needs of future generations in Pennsylvania.