



THE CITY OF NEW YORK
OFFICE OF THE MAYOR
NEW YORK, NY 10007

November 18, 2010

Honorable Jon Wellinghoff
Chairman
Federal Energy Regulatory Commission
888 First Avenue, N.E.
Washington, D.C. 20426

Re: *New Jersey-New York Expansion Project – Texas Eastern-Algonquin-Spectra Energy*, FERC Docket No. PF10-17-000

Dear Chairman Wellinghoff:

On behalf of Mayor Michael Bloomberg, I wish to convey the strong support of the City of New York for the proposed Texas Eastern/Algonquin/Spectra Energy Corporation Project (“Spectra Project”) currently in the FERC pre-filing process. As I am sure you know, this project will involve construction of approximately 20 miles of 30-inch and 42-inch natural gas pipeline between New Jersey and New York, with a route through Staten Island and into Manhattan, where it will connect to the Consolidated Edison gas infrastructure system to serve Con Ed’s residential and business customers.

New York City is highly dependent on electricity, and on the infrastructure and fuels that support it. To remain the preeminent financial, corporate and communications center in the world, New York must have reliable sources of electricity. As approximately 90% of the generating capacity in the City uses natural gas as its primary fuel, there is a very close relationship between the availability of natural gas, and the City’s ability to ensure adequate and affordable electricity for our 8.4 million residents and the many millions more who visit and work here every day.

In 2007, Mayor Bloomberg launched *PlaNYC 2030*, a sustainability program for the City that established a number of ambitious goals. These include a sharp reduction in the City’s greenhouse gas emissions, introduction of both new and repowered generation facilities, and a dramatic reduction in the use of highly polluting heating fuels such as heavy oils, which are still used in some 10,000 buildings throughout the City.

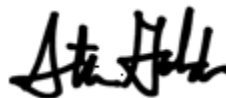
The Spectra Project would help the City meet these important goals. The pipeline would directly supply substantial additional natural gas volume into Manhattan, where it will be critically needed in the coming years. And it will do so using the most efficient and clean-burning fossil fuel available. The Spectra pipeline will increase the City's access to natural gas by up to 800 million cubic feet per day—enough to heat over two million homes—and will support our efforts to achieve a number of key sustainability goals.

The City's Department of Environmental Protection is establishing incentives and strengthening rules to encourage residential buildings to switch from heating oil to natural gas. We are also tightening emissions restrictions from in-City power plants. However, our efforts can be successful only if we have adequate natural gas supplies to support the many large energy users who now depend on fuel oil.

The evidence is clear that this natural gas pipeline will be safe. Where the project crosses sensitive, high density areas, its design and construction will exceed the stringent U.S. Department of Transportation Class 4 specification for gas pipelines. And we are confident that the FERC licensing process will result in a route that is sensitive to community and environmental needs. Spectra has already assured us that it will work cooperatively with the City to avoid sensitive infrastructure areas. While robust measures will of course be needed to fully protect local neighborhoods, this project must go forward to meet our region's critical long-term energy needs.

The City urges your support, and that of your fellow Commissioners, for the Spectra Project. As always, we remain committed to working with the Commission to promote the energy security and affordability goals that are critical to the continued growth and prosperity of New York City, and the nation.

Sincerely,

A handwritten signature in black ink, appearing to read "Stephen Goldsmith". The signature is fluid and cursive, with the first name "Stephen" and last name "Goldsmith" clearly distinguishable.

Stephen Goldsmith

cc:

Honorable Cheryl LaFleur
Honorable Phillip D. Moeller
Honorable John R. Norris
Honorable Marc Spitzer