

February 12, 2014

BY FAX AND FIRST CLASS MAIL

Hon. Andrew M. Cuomo Governor Executive Chamber State Capitol Albany, NY 12224

Hon. Joseph J. Martens Commissioner New York State Department of Environmental Conservation 625 Broadway Albany, NY 12233

Dear Governor Cuomo and Commissioner Martens:

As Senators representing New Yorkers, we urge you and the Department of Environmental Conservation (DEC) to deny the applications for permits by Crestwood Midstream and its subsidiaries to store Liquefied Petroleum Gas and expand Natural Gas storage in the depleted salt caverns along Seneca Lake.

The Finger Lakes Region is a jewel in the center of our great state, and the agri-tourism business there is thriving. Seneca Lake is at the epicenter of this growth, hosting 108 wineries in the four counties surrounding the lake. Finger Lakes tourism, fueled in large measure by a thriving wine industry, poured nearly \$3 billion into the state's economy in 2012 and accounts for 58,000 jobs, according to the state's chief economic development agency, Empire State Development.

Economist Janette Barth has said that "despite declines during the recession, research by Tourism Economists concludes that direct labor income due to tourism in the Finger Lakes increased from \$665 million in 2005 to \$780 million in 2009."

Allowing an out-of-state corporation to turn the Finger Lakes into a gas storage and transportation hub for the Northeast would require above-ground infrastructure including open brine pits, active burning flare stacks, pipelines, a six-track rail siding, a truck depot, above-ground bullet tanks, and increased truck traffic along our tourist-filled roads. This large-scale industrialization has the potential to upset the delicate balance between existing light industry and the tourism- related businesses that depend on a bucolic surrounding to draw in visitors year after year. The applicant has stated that the project will create 8-10 full time permanent jobs, but at what cost to the region's existing sustainable economy?

Further, there are serious safety and environmental concerns about these facilities that could tarnish the region's brand, scaring away visitors and new investors. The stability of the geology in the region is questionable. There are documented reports of cavern failures and seismic activity that could compromise the safety of the community and possibly pollute this vital fresh water resource. There was a 2.0 earthquake just 12 miles from the proposed facilities in September of 2013.

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Storing gas in salt caverns has a history of accidents, including fires and explosions. It would take only one such accident to destroy the region's reputation, putting the hundreds of millions of dollars that it brings into our state on an annual basis in jeopardy.

Through your local, economic development councils, you have supported a ground-up, community-based regional economic development strategy. This strategy is clearly working for businesses around Seneca Lake and throughout the Finger Lakes region.

We stand behind your vision, and encourage you to continue to promote and preserve the sustainable, cooperative growth occurring in the heart of the Finger Lakes. As such, we strongly urge your DEC to deny permits to Crestwood Midstream and its subsidiaries: Finger Lakes LPG Storage, LLC and Arlington Storage Company, LCC for their proposed storage projects in the Town of Reading, in Schuyler County, New York.

Your immediate attention to this very serious issue is needed and will be appreciated.

Sincerely,

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Senator Tony Avella

Senator Liz Krueger

Senator Cecilia F. Tkaczyk

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Senator George Latimer