



New York State Geological Survey
New York State Museum
3140 Cultural Education Center
Albany, NY 12230
518/474-5816 • Fax 518/473-8724



New York State Education Department – Office of Cultural Education – New York State Museum

March 15, 2013

Peter S. Briggs, Director
New York State Department of Environmental Conservation
Bureau of Oil & Gas Permitting & Management
625 Broadway, Albany, New York 12233-6500

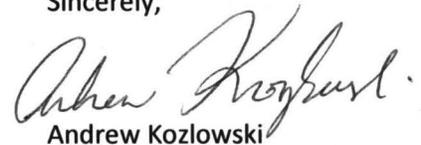
**RE: Application for ECL Article 23 Underground Storage Permit
Finger Lakes LPG Storage, LLC (Finger Lakes)
Salt Point Storage Field, Schuyler County**

Dear Mr. Briggs,

In response to your request of January 18, 2013 for a final determination regarding the application of Finger Lakes LPG Storage, LLC for an underground storage permit for the Salt Point Storage Field in Schuyler County, we reviewed the *Permit Application* and all supplemental responses to the Department of Environmental Conservation's *Notices of Incomplete Application* submitted by Finger Lakes LPG Storage. At the time of this application there does not appear to be any geological reason to deny their request to utilize the geologic formations specified for the storage of liquefied petroleum gas. Their demonstration of both cap rock and cavern integrity is complete, and with a properly developed monitoring program, Finger Lakes' proposed use of the Salt Point caverns is geologically sound. Further, in our review of the application materials, it has been demonstrated that the caverns in this salt formation have a longstanding operational record as a gas storage facility without any geologic evidence of incompatibility for this intended purpose.

Based on my reviews of the application materials and subsequent filings, I hereby grant approval of the project based on my findings that the project will have no adverse impact on the existing geologic environment. Please provide me with a copy of the Underground Storage Permit when issued.

Sincerely,



Andrew Kozlowski

Acting Associate State Geologist