

NEW TRANSMISSION LINES IN THE HUDSON VALLEY

**Experts for Hudson Valley
Groups—Project Not Needed,
Threats Significant**

**But—NYS Poised to OK
Project Anyway!**

YOUR ACTION NOW IS CRITICAL

Gov. Andrew Cuomo and the NYS Public Service Commission (PSC) need to hear from you right away. Tell them there is no need for a project that would cost ratepayers \$1.2 billion and damage the Hudson Valley's beauty, environment, farms and more.

Call Gov. Cuomo at 518 474 8390. Contact the PSC at: <http://goo.gl/guBW5H>



The Hudson Valley Smart Energy Coalition (HVSEC) includes municipalities; environmental, cultural, historic and land preservation organizations; businesses; and residents who support creation of a modern, comprehensive energy plan for the Hudson Valley and New York State. HVSEC members are especially concerned about the potential negative impacts on the environmental, visual, historic, cultural and economic resources of the Hudson Valley from proposed projects, driven by Gov. Cuomo's 2012 Energy Highway initiative, to erect higher overhead transmission lines bisecting 25 communities in seven counties. www.hvsec.org

The HVSEC contends that the state has yet to demonstrate a compelling need for the lines since the beginning of the proceeding. Independent experts agree with our assessment and have published reports that support this position. Recently, the PSC's staff issued a recommendation that the PSC use a procedural move that would allow them to proceed without an actual demonstration of need as they once defined it, changing instead to a vague "public policy" rationale that contradicts other strong, established state policies. To make matters worse, the staff recommendation calls for eliminating the proposals that the HVSEC and PSC had determined would have the lowest impacts to communities and key resources.

Is this project needed to increase system reliability?

YES NO

- The most recent Comprehensive Reliability Plan, released in July 2015 by the New York Independent System Operator (which oversees the state's electric grid), concluded that "New York's power system has adequate resources to reliably meet New York's electric demand over the next 10 years under expected system conditions."
- The NYISO is so confident about this forecast that it withdrew its request for proposals for new projects to meet reliability criteria, indicating the system has sufficient existing facilities.
- A report by Dr. Gidon Eshel, a research professor of Environmental Physics at Bard College, that analyzed future downstate peak loads and additional factors that could affect energy demand (including climate change and demographic trends) concluded that current and anticipated power-generating assets in the region will meet peak demand for the next two decades.

Is this project needed to provide economic benefits?

YES

NO

A major goal of the Energy Highway is to reduce electricity costs in New York City and the surrounding Metropolitan Area by increasing transmission capacity to relieve a “a bottleneck” that makes it expensive to carry power from central New York to downstate customers.

- Congestion costs—the price of meeting consumers’ needs based on available electricity—have been decreasing for the last five years.
- A recent report Scenic Hudson and the HVSEC commissioned from London Economics International, LLC (LEI), a *global strategic advisory firm specializing in energy*, forecasted that annual congestion costs will decline an additional 70-85 percent by 2030 as compared with 2016-2017 levels. And the majority of the cost decline will occur by 2021.
- High downstate energy prices also are the result of a New Capacity Zone (NCZ), which pays generators to invest in power plants within the Hudson Valley. Funds come from a raise in wholesale prices (known as capacity pricing).
- Based on new generation attracted by the NCZ, LEI concluded that currently high capacity prices will drop significantly when this generation goes on-line in 2018.

The bottom line: Annual expenses to operate and maintain the proposed transmission lines would very likely be *higher* than savings they generate. With ratepayers covering 100 percent of project costs—Hudson Valley and downstate ratepayers paying 90 percent of construction costs (up to \$1.3 billion) and 80 percent of cost overruns—developers would receive a return on investment with almost no risk. Homeowners and businesses would pay the cost with no benefit.

Will this project damage the Hudson Valley’s natural, cultural and agricultural resources?

YES

NO

Expert independent analyses, commissioned by the HVSEC, of the project’s environmental and visual impacts clearly show that *all* proposals pose potential impacts to historic sites (including Frederic Church’s Olana and the Franklin Delano Roosevelt and Eleanor Roosevelt National Historic Sites) and prime ecological resources (including sensitive wetlands and endangered species habitats). The analyses also conclude there are several proposals that, based on their environmental and visual effects, should be eliminated from further consideration.

The bottom line: The project is expensive, unnecessary and jeopardizes the very assets that make the Hudson Valley so special and are the foundation of its rebounding economy. Ironically New York State (along with groups like Scenic Hudson) has invested millions of dollars in protecting many of the resources—popular parks and historic sites (including Olana State Historic Site, below), farms supplying fresh food to local and New York City markets—now imperiled by this project.

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