PSC Finds “Win-Win” Solution for Controversial Electric Reliability Project — Months of Hard Work Pay Off As New Location for Rochester Area Substation and Transmission Lines Are Selected —

ALBANY — The New York State Public Service Commission (Commission) today said it had selected new sites for the construction of a new substation and transmission line that are needed to strengthen the resiliency and ensure the reliability of the electric grid in the region surrounding Rochester.

“It was only through the outstanding efforts of all of the parties in this complicated proceeding that we were able to find a solution that benefits everyone while ensuring that the impact on the environment and valuable agriculture farm land was minimized,” said Commission Chair Audrey Zibelman. “With this decision, the local electric grid will be made more secure, which is of paramount importance to the Commission.”

With today’s order, the location of a new electric substation to be built and owned by Rochester Gas & Electric Corporation (RG&E) would be moved from the Krenzer Family Farm in the Town of Chili to vacant land across the Genesee River to the east. Second, the routing of two new 115 kilovolt (kV) lines would be altered to eliminate a zig-zag route through Krenzer property that would have significantly impacted their farming operations. The new route, made possible by securing federal approval to route the lines though a parcel with a U.S. Department of Agriculture conservation easement, eliminates the zig-zag through Krenzer fields, thereby reducing the impacts on their operations.

Initially, the project called for the construction of approximately 23 miles of new 115 kilovolt (kV) transmission lines, reconstruction of two miles of an existing 115 kV line, a new 1.9 mile 345 kV line, a new 345 kV/115 kV substation, and the improvement of three existing substations, in the towns of Chili, Gates, and Henrietta, and in the City of Rochester, Monroe County.

The Commission approved the project in early 2013; however, members of the Krenzer family, who own farmland impacted by the project, and the Town of Chili filed petitions for rehearing and raised questions concerning the impacts of both the substation location and the routing of the transmission lines on agricultural land uses.

Upon review, the Commission ordered a reexamination of the impacts of the substation location on the Krenzers’ farming activities. The Commission appointed an administrative law judge to work with the parties in an effort to find a consensus solution while still meeting the electric reliability needs of Rochester residents. When those consensus efforts failed, the Commission ordered a re-opening of
the record to consider alternatives. At the same time, the Commission required RG&E to seek a modification of the USDA easement, in order to route the line along an existing right-of-way and avoid further impact on farm fields.

Hearings before the presiding administrative law judges were conducted in 2014, with active participation by the Krenzer family, other nearby landowners, and the state Departments of Public Service, Agriculture and Markets, and Environmental Conservation, as well as RG&E.

**New York State Department of Agriculture & Markets Commissioner Richard A. Ball** said, "I am pleased that, with diligent work and coordination of all those involved, the disputes over the location of the various components associated with this project have been resolved in a manner that not only protects the Krenzer Family farm and keeps prime agricultural lands in production, but also minimizes any potential environmental impacts."

**New York State Department of Environmental Conservation Commissioner Basil Seggos** said, “New York State is proving that we can responsibly strengthen the resiliency of our energy systems while protecting our family farms and safeguarding the health of our precious natural resources. The successful outcome of this project is the direct result of the State’s careful consideration of the impacts of new energy infrastructure projects, and as a result, the greater Rochester area will benefit from a more resilient electric system, family farms will be safeguarded for future generations, and the State’s sensitive ecosystems will be protected and enhanced."

Throughout the hearings and post-hearing briefing process, the many parties involved in this case remained divided as to whether the new substation should be constructed on farmland owned by the Krenzers in the Town of Chili or on a site immediately to the east, across the Genesee River in the Town of Henrietta. However, a further round of negotiations among all parties resulted ultimately in a unanimous agreement to recommend the Henrietta site. That location, although formerly farmed, is currently vacant and undeveloped.

In September of 2014, the USDA approved RG&E’s request to cross the federal conservation easement, subject to RG&E satisfying federal mitigation requirements. Obtaining this approval enables the Commission to approve siting the new transmission lines along the path of the existing NYPA line, thereby minimizing the disruption to farm fields and the rural landscape of Monroe County. The Commission’s insistence that RG&E pursue that option has benefited the landowners directly impacted by the route. These changes, together with additional measures, such as altered pole configurations and creation of a new wetland area, reduced and mitigated the project’s overall environmental and agricultural impacts.

The joint proposal adopted today was supported by RG&E, Department of Public Service staff, the State Department of Environmental Conservation, the State Department of Agriculture and Markets, the Krenzers, and the Towns of Chili and Henrietta. No party opposed the joint proposal.

Today’s decision may be obtained by going to the Commission Documents section of the Commission’s Web site at www.dps.ny.gov and entering Case Number Case 11-T-0534 in the input box labeled "Search for Case/Matter Number”. Many libraries offer free Internet access. Commission documents may also be obtained from the Commission’s Files Office, 14th floor, Three Empire State Plaza, Albany, NY 12223 (518-474-2500). If you have difficulty understanding English, please call us at 1-800-342-3377 for free language assistance services regarding this press release.