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GOVERNOR KATHY HOCHUL

GOVERNOR HOCHUL ANNOUNCES FINALIZED CONTRACTS FOR CLEAN PATH NY AND CHAMPLAIN HUDSON POWER EXPRESS TO DELIVER CLEAN RENEWABLE ENERGY FROM UPSTATE NEW YORK AND CANADA TO NEW YORK CITY

Largest Renewable Energy and Transmission Projects in New York State in the Last 50 Years

Will Deliver Up to \$7.4 Billion in Overall Societal Benefits Statewide Inclusive of Greenhouse Gas Reductions and Air Quality Improvements

Will Create 10,000 High-Quality Jobs and \$8.2 Billion in Economic Development Across the State Including Investments in Disadvantaged Communities

Combined with State's Deployment of Clean Energy and Offshore Wind, Projects Are Expected to Reduce the City's Fossil Fuel Use for Electricity by More Than 80 Percent in 2030

Accelerates Progress to Achieve New York's Goal to Obtain 70 Percent of Electricity Statewide from Renewable Sources by 2030 on Path to a Zero-Emission Grid

Governor Kathy Hochul today announced that the New York State Energy Research and Development Authority (NYSERDA) has finalized contracts with Clean Path New York LLC for its Clean Path NY (CPNY) project and H.Q. Energy Services (U.S.) Inc. (HQUS) for its Champlain Hudson Power Express (CHPE) project to deliver clean, renewable solar, wind and hydroelectric power from upstate New York and Canada to New York City. The state's first-of-its-kind renewable energy and transmission projects are expected to deliver up to \$7.4 billion in overall societal benefits statewide, inclusive of greenhouse gas reductions and air quality improvements, and \$8.2 billion in economic development across the state, including investments in disadvantaged communities. As the largest transmission projects contracted for New York State in the last 50 years, these projects will reduce the city's fossil fuel use for electricity by more than 80 percent in 2030 when combined with the state's deployment of clean energy and offshore wind. Today's announcement accelerates progress to exceed New York State's goal for 70 percent of the state's electricity to come from renewable sources by 2030 on the path to a zero-emission grid as outlined in the Climate Leadership and Community Protection Act. It will also help the city of New York achieve its ambitious climate goals.

"The stakes have never been higher for New York as we confront the effects of climate change and the economic and environmental destruction that extreme weather events leave behind," **Governor Hochul said.** "This announcement not only accelerates our pace to achieving the goal for having 70 percent of New York State's energy to come from renewable resources, we're also creating sustainable jobs, reducing our dependence on fossil fuels, and paving the way for cleaner air and a healthier future for all New Yorkers. I'm proud that New York continues to lead the nation with innovative green energy initiatives and has set a global example of what must be done to take on climate change."

Today's announcement is bolstered by the City of New York's confirmation that it will join in these landmark awards, helping to make the scale of these projects possible while creating the opportunity to reduce the cost impact of these projects by approximately \$1 billion. NYSERDA will also offer renewable attributes from these projects for voluntary purchase, finally enabling the many New York City organizations with interest in switching to clean energy, but who have been unable to do so on-site due to practical constraints, to go one hundred percent renewable with confidence.

In January, as directed by New York State Public Service Commission's (PSC) October 2020 [Order](#), NYSERDA issued a renewable energy solicitation, known as Tier 4, seeking projects that can cost effectively and responsibly deliver renewable energy to New York City, an area of the state that relies on aging fossil fuel-fired generation. If approved by the PSC, the selected projects are expected to deliver 18 million megawatt-hours of clean energy per year, or more than a third of New York City's annual electric consumption, from a diverse and resilient clean generation portfolio including onshore wind, solar, and hydroelectric power, backed by energy storage, from upstate New York and Quebec. Combining these projects with the existing contracted portfolio of offshore wind projects connecting directly into New York City turns the page on the city's energy history, increasing resiliency and reliability while significantly improving air quality.

Mayor Bill de Blasio said, "If the largest city in the nation can rely on clean energy for power, any place can. New York is proving it's possible to combat global warming and fight for climate justice by investing in water, wind, and solar energy. This is how we reduce fossil fuels, create thousands of union jobs, and build a sustainable future for all New Yorkers. It's a historic day for our city and state."

These contracts have been submitted to the PSC for approval, and are subject to a public comment period that will run through February 7, 2022. The petition and contracts are available on the Department of Public Service's [website](#) under Case Number 15-E-0302, where comments can be submitted. If the contracts are approved, NYSERDA payments will only commence for each respective project once the project has obtained all required permits and approvals, has completed construction, and is delivering power to New York City, which is expected to begin in 2025 for the fully permitted CHPE project and 2027 for the CPNY project.

NYSERDA President and CEO Doreen M. Harris, "By every measure, the state's game-changing procurement to responsibly deliver renewable energy to New York City

was a resounding success, and the finalization of contracts today signifies a major step forward in creating a more balanced, reliable and resilient energy system for all New Yorkers. These massive green energy infrastructure projects, which will generate enough clean electricity to power millions of homes, will deliver tremendous economic benefits and thousands of new jobs statewide while reducing pollution and improving air quality in our most historically vulnerable communities."

Hydro-Québec President and CEO Sophie Brochu and Don Jessome, CEO of Transmission Developers Inc. said, "We are honored to be part of New York's bold plan to bring clean, reliable energy into New York City in 2025 - reducing harmful carbon emissions and improving air quality in disadvantaged communities while accelerating New York's transition to a greener future. We look forward to engaging with New York communities through the PSC process about the many environmental and economic benefits of the project."

Clean Path NY leaders Michael Polsky of Invenergy, Jeff Blau of energyRe, and Justin E. Driscoll of the New York Power Authority said, "Clean Path NY is proud to join Governor Hochul and NYSERDA in advancing this history-making renewable energy infrastructure project that will fundamentally transform New York's electric grid and improve the lives of New Yorkers across the state. With new, in-state transmission and generation - an All Renewable, All New York approach - we are proud to be advancing a just transition to clean energy that will fight the climate crisis, prioritize environmental justice and create thousands of green jobs in New York."

As a component of these landmark deals, Hydro-Quebec will purchase electricity from the planned Apuiat wind farm, developed by the Innu communities in Quebec, as well as enter into a partnership with the Mohawk Council of Kahnawà:ke for joint ownership of the line in Québec that will connect to the Champlain Hudson Power Express.

Kahsennenhawe Sky-Deer, Grand Chief, Mohawk Council of Kahnawà:ke said, "Kahnawà:ke is honored to be the joint owner of the transmission line on the Canadian side of the border that will ultimately provide green renewable energy to New York City. During the past century, our fearless Mohawk ironworkers have played an integral role in the building of the New York City skyline and surrounding infrastructure. And we now have the opportunity through our partnership with Hydro-Quebec to provide energy that will be used to light up New York's historic landmarks and renew the bonds that we Mohawks have with the City of New York."

NYSERDA's successful procurement resulted in the award of projects that bring the highest and best value to New York, including the interests of disadvantaged communities, economic benefits, and workforce development. Key benefits of these projects include:

- **Protecting New York Families:** The projects will deliver up to \$4 billion in public health benefits resulting from reduced exposure to harmful pollutants - including avoided premature deaths, reduced asthma-related hospital visits, and lost workdays due to illness.

- **Massive Economic Driver and Job Creator:** The projects will create approximately 10,000 family-sustaining jobs statewide with \$8.2 billion in economic development investments, helping accelerate the state's economic recovery from COVID-19. The project developers have also committed to prevailing wage and project labor agreements to ensure quality, good-paying jobs for New Yorkers.
- **Developer-Committed Investments in Disadvantaged Communities:** The two projects committed to investing a combined \$460 million in community benefit funds to create pathways to green energy jobs, support public health, advance capital improvement projects, realize habitat restoration and improve the environmental footprint of buildings in disadvantaged communities.
- **Environmental Protection:** Combined, the projects are expected to reduce greenhouse gas emissions by 77 million metric tons over the next 15 years, the equivalent of taking one million cars off the road over this time period.
- **Cost Effective:** The Tier 4 program procures both renewable energy and new transmission. It has been set up with an index REC structure to help cushion customers against spikes in energy prices so when electricity prices rise the Tier 4 program costs go down. With an expected average Tier 4 REC cost of \$28.29 per megawatt hour for both projects, once the projects enter operation, the average bill impact for customers will be approximately 2 percent, or just over \$2 per month. Analysis from project sponsors may be published and submitted as part of the PSC proceeding to articulate the extent of potential additional benefits.

In addition, these new underground transmission [lines](#) will avoid, minimize and mitigate environmental damages including impacts on sensitive species and habitats and be resilient in the face of extreme weather. Both projects are required to go through the PSC's [Article VII permitting process](#), which includes a full review of the need for the project and any environmental impacts of the siting, design, construction, and operation of major transmission facilities in New York State. CHPE has received its Article VII permit, and CPNY intends to file for its permit soon.

If approved, the CPNY and CHPE projects will add to New York's existing robust pipeline of large-scale renewable energy, comprised of nearly 100 solar, land-based wind and offshore wind projects totaling 11,000 megawatts of clean power—enough to power over five million New York homes when completed. The State's commitment to building out new green energy transmission, led by 250 miles of new major upgrades already underway throughout the state and reinforced by this award, will allow the current pipeline of renewables to power more than 60 percent of New York's electricity from renewable energy once operational.

NYSERDA will continue to offer resources and no-cost technical assistance to help local governments understand how to manage responsible clean energy development in their

communities, including step-by-step instructions and tools to guide the implementation of clean energy, including permitting processes, property taxes, siting, zoning, and more.

Senator and Energy Chair Kevin Parker said, "As the Chairman of the Senate Committee on Energy and Telecommunications, I commend NYSERDA for taking the necessary steps to ensure that we meet our state's energy goals. This initiative sends a message that our clean energy standards are real and achievable."

Senator Todd Kaminsky, Chair of the Senate Environmental Conservation Committee said, "Climate change poses a serious threat to our State and the planet at-large. The Climate Leadership and Community Protection Act envisions a future electric grid with zero-emissions but in order for that to become the reality, we need to actively work toward that goal. I applaud Governor Hochul and NYSERDA's Doreen Harris for taking these steps to prioritize achievement of the State's clean energy goals."

Alliance for Clean Energy New York Executive Director Anne Reynolds said, "With this petition, New York is taking another step in implementing its ambitious Clean Energy Standard, this time with a focus on moving clean, renewable electricity to New York City. It is especially great news when a new transmission project also supports the construction of new wind and solar projects in Upstate New York. It's an investment in jobs now and a stronger grid into the future."

Julie Tighe, President of the New York League of Conservation Voters, said, "New York needs to act quickly to achieve the State's target of 70% renewable energy by 2030 and today's announcement of the signing of Tier 4 contracts between NYSERDA and developers is a big step forward to keep us on track. The New York State League of Conservation Voters supports major initiatives such as Tier 4 to advance the future of clean energy in New York State and reduce New York's City's reliance on the fossil fuel infrastructure of the past while protecting communities and improving air quality across the state."

Stuart F. Gruskin, The Nature Conservancy's New York chief conservation and external affairs officer said, "The Nature Conservancy applauds steps taken by the New York State Energy Research and Development Authority today in filing its petition before the Public Service Commission to move forward on selected projects under the Clean Energy Standard's new Tier 4. This petition is an important step to New York State fulfilling its climate and clean energy goals by building the clean energy economy, creating thousands of good jobs, and ensuring New York City has clean, reliable energy while protecting our critical natural resources."

Daniel Zarrilli, Special Advisor on Climate and Sustainability at Columbia University said, "This is the critical decade to achieve deep reductions in carbon pollution and avoid the most catastrophic impacts of climate change. Today's action by NYSERDA to secure clean energy transmission into New York City is a critical step to support all of us who are committed to achieving net zero through electrification. We look forward to working with NYSERDA to explore Columbia University's role in achieving this goal, which supports our work to align the university with the goals of the Paris Agreement, clean the air in our surrounding communities, and end the world's

addiction to fossil fuels—all part of our commitment to empowering the next generation of climate leaders."

Michael D. Welsh, International Vice President, The International Brotherhood of Electrical Workers (IBEW) of New York said, "The International Brotherhood of Electrical Workers of New York is pleased to support NYSERDA's efforts in their submission of the Tier 4 awarded projects, Champlain Hudson Power Express and the Clean Path NY, to the Public Service Commission (NY PSC) for review, public comment, and approval. These important projects will provide substantial progress towards achieving goals of the Climate Leadership and Community Protection Act by reducing Green House Gases (GHG's) by 77 million metric tons over the next 15 years. Additionally, these projects are expected to create more than 10,000 family sustaining jobs, many of which will be with New York Union construction trades, including the IBEW. These local New York jobs will inject billions of dollars into local communities along the projects' paths and in the areas of new generation projects. The awarded projects have committed to more than \$400 million in community benefit funds that will provide a pathway for thousands of workers into middle class jobs. We look forward to supporting this important initiative in each and every step."

Gary LaBarbera, President of the New York State Building and Construction Trades Council said, "This is yet another important step forward in building towards New York's clean energy future, while ensuring that good, middle-class careers with benefits are created in the process. Good-paying, middle-class jobs have always gone hand-in-hand with how New York delivers and generates its power, and we applaud Governor Hochul and NYSERDA for their effective leadership and continued commitment to the state's working men and women as these ambitious projects move forward."

New York State Laborers Organizing Fund Director John Hutchings said, "Our members are currently working on projects that represent thousands of megawatts of clean, renewable energy throughout New York State. The next step is to ensure that energy can be transported and used in load-pockets throughout the state. Projects like CHPE and Clean Path NY will help accomplish that while also creating thousands of construction jobs that pay workers a prevailing wage. We are hopeful that the Public Service Commission will expeditiously approve NYSERDA's petition."

REBNY Chairman Douglas Durst and President James Whelan said, "Addressing the climate crisis requires an approach that is bold, thoughtful and collaborative. Successfully reducing carbon emissions in New York City will not be possible without the aggressive deployment of renewable energy generation and transmission. We applaud Governor Hochul and NYSERDA for making New York a national leader in the fight against climate change by taking a bold, thoughtful and collaborative approach that will help the State deliver real results on reducing emissions."

New York State's Nation-Leading Climate Plan

New York State's nation-leading climate agenda is the most aggressive climate and clean energy initiative in the nation, calling for an orderly and just transition to clean energy that creates jobs and continues fostering a green economy as New York State recovers from the COVID-19 pandemic. Enshrined into law through the Climate

Leadership and Community Protection Act, New York is on a path to achieve its mandated goal of a zero-emission electricity sector by 2040, including 70 percent renewable energy generation by 2030, and to reach economy wide carbon neutrality. It builds on New York's unprecedented investments to ramp-up clean energy including over \$33 billion in 102 large-scale renewable and transmission projects across the state, \$6.8 billion to reduce buildings emissions, \$1.8 billion to scale up solar, more than \$1 billion for clean transportation initiatives, and over \$1.6 billion in NY Green Bank commitments. Combined, these investments are supporting nearly 158,000 jobs in New York's clean energy sector in 2020, a 2,100 percent growth in the distributed solar sector since 2011 and a commitment to develop 9,000 megawatts of offshore wind by 2035. Under the Climate Act, New York will build on this progress and reduce greenhouse gas emissions by 85 percent from 1990 levels by 2050, while ensuring that at least 35 percent with a goal of 40 percent of the benefits of clean energy investments are directed to disadvantaged communities, and advance progress towards the state's 2025 energy efficiency target of reducing on-site energy consumption by 185 trillion BTUs of end-use energy savings.

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