

STATE OF NEW YORK

Public Service Commission

William M. Flynn, Chairman

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FOR RELEASE: IMMEDIATELY

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PSC Approves 600 MW Cross Hudson Transmission Line

-- New Line Will Help Meet Growing Demand in NYC, Improve Electric System Reliability --

Albany, NY – 4/16/03 – The New York State Public Service Commission today voted to approve PSEG Power Cross Hudson Corporation’s (PSEG) application for a certificate to construct and operate a new substation and a new, electric transmission line with the capacity to carry 600 megawatts (MW) of electricity from a power plant in New Jersey to New York City. The approval of the Certificate of Environmental Compatibility and Public Need follows a thorough environmental and technical public review under Article VII of the New York State Public Service Law.

“While much attention has been focused on the need for generation, new transmission facilities, such as the Cross Hudson line approved today, also will play a critical role in meeting our future energy needs,” said Public Service Commission Chairman William M. Flynn. “This new line will bring power from an efficient, gas-fired combined cycle facility into New York City and will help displace the use of older, less efficient generation sources.”

PSEG filed its application to construct and operate the transmission line and the substation on October 12, 2001. Following public hearings, a review of reasonable alternatives, and a review of technical and environmental issues by interested parties, a Joint Proposal resolving all issues and recommending approval of the certificate was submitted on February 11, 2003. There was no opposition to the Joint Proposal, which was supported by the staff of the Department of Public Service, Department of Environmental Conservation, the City of New York, New York City Economic Development Corporation, the Hudson River Park Trust, and PSEG.

In voting to approve the project, the Commission noted that the new transmission line is needed to satisfy growing demand for electricity, to transmit power that will replace older generation facilities, and especially to satisfy the electricity reliability requirement that New York City have installed generation capacity equal to 80% of in-city peak customer demand. The Commission also noted that the Joint Proposal contains a number of safeguards that will minimize potential environmental impacts resulting from the construction of the facility. Moreover, construction of the new transmission line is compatible with various plans adopted by the City of New York, including: the Comprehensive Manhattan Waterfront Plan, the Greenway Plan for New York City, the New York City Bicycle Master Plan, the Hudson River Park Act, and the Hudson River Park Trust Plan.

General Description of the Proposed Facility

Under the terms of the certificate, PSEG will construct and operate an electric generator lead transmission line connecting its Ridgefield, New Jersey, generating facility with a Consolidated Edison Company of New York, Inc. substation in Manhattan. The proposed line will be approximately eight miles in length, rated at approximately 600 MW, and designed to operate at 345 kilovolts (kV) alternating current.

Approximately one-half of the line will be embedded in the Hudson River. The Submarine Cable System will be buried in the bed of the Hudson River using jet plow embedment methods. A transition station will be constructed on the New York side of the river to provide for a conversion from submarine cable to underground cable.

The Commission will issue a written decision detailing today's vote. The decision in Commission Case 01T1474, when available, can be obtained from the Commission's website at <http://www.dps.state.ny.us> by accessing the Commission Documents section of the homepage. Many libraries offer free Internet access. Commission orders can also be obtained from the Files Office, 14th floor, 3 Empire State Plaza, Albany, NY 12223 (518-474-2500).