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Governor Cuomo Announces \$726 Million Transmission Upgrade Program for Advancing Energy Highway Blueprint

Governor Andrew M. Cuomo today announced a major step in carrying out the New York Energy Highway Blueprint, with the approval by the New York Power Authority (NYPA) Board of Trustees of a \$726 million project for repair and improvements to NYPA's half century-old transmission system in Western, Central and Northern New York.

The plans by NYPA for the phased-in Life Extension and Modernization (LEM) project improvements to its transmission system directly tie in with a major strategic goal of the Governor's Energy Highway Blueprint, to rebuild and modernize the state energy infrastructure to meet current and future energy needs, including accelerated construction and repair of New York State's electric systems. The measures will incorporate the latest engineering and technologies to harden and strengthen NYPA's transmission facilities to make them impervious to severe weather such as Hurricane Sandy.

"A modern, efficient power delivery system is essential to ensuring that we have the reliable, clean and affordable energy needed to meet the demands of a 21st century economy," Governor Cuomo said. "Modernizing and strengthening our state's power transmission system is a centerpiece of the Energy Highway Blueprint, and the approval by the NYPA Board of Trustees sets the wheels in motion on this important project. By making major improvements to New York's power transmission system, we can help ensure that our state has the proper infrastructure in place to support a growing economy."

John R. Koelmel, chairman of the New York Power Authority, said, "A reliable and efficient electric power grid is fundamental to New York States economy, making possible the delivery of economical, clean power from varied sources. The NYPA Board of Trustees approval of an upgrade of the NYPA transmission system corresponds with the focus by Governor Cuomo on enhancing the states electric power infrastructure to improve its reliability, versatility and performance and resilience to severe weather conditions.

"Governor Cuomo has given the utmost importance to modernize the state's electric power system," said Gil C. Quiniones, NYPA president and chief executive officer and Joe Martens, commissioner of the New York State Department of Environmental Conservation the co-chairs of the Energy Highway Task Force. "The objective of the far-reaching Energy Highway Blueprint and its 13 specific recommended actions is nothing short of transforming New York's aging, congested energy infrastructure so that it is equipped to support economic growth and to supply reliable, lower cost and clean power for New York's residents and businesses far into the future."

The Power Authority, which owns and operates approximately one-third of the state's high-voltage power lines, has transmission facilities that include those that date back to the late 1950s and early 1960s, when NYPA built its major hydroelectric plants on the St. Lawrence and Niagara rivers.

On Tuesday, the NYPA trustees authorized initial funding of \$119 million for transmission equipment improvements at the St. Lawrence-Franklin D. Roosevelt Power Project in Massena and Niagara Power Project in Lewiston.

The initial work will focus on measures at the two hydroelectric plants' switchyards and substations, transmission-line structures, or towers, and along existing transmission corridors extending from the plants. The improvements will be undertaken in multiple phases.

The initial measures under the NYPA transmission LEM will be followed by other planned improvements under the \$726 million modernization program, with the work extending to 2025.

They include work on transmission facilities at NYPA's Frederick R. Clark Energy Center in Marcy, near Utica, and Blenheim-Gilboa Pumped Storage Power Project in the northern Catskills.

Other dimensions of the Power Authority's transmission LEM include investing in Smart Grid technologies for maximizing the efficiency of transmission facilities and for achieving greater "situational awareness" of their performance in variable conditions.

In addition to NYPA's transmission LEM, other actions undertaken to advance the Energy Highway Blueprint include:

- A first-of-its kind Public Service Commission (PSC) proceeding to review private developer proposals for new and upgraded transmission lines, which would expand and strengthen the state's high voltage transmission system by building roughly \$1 billion worth of transmission projects, providing over 1,000 megawatts (MW) of additional transmission capacity;
- A PSC order for Con Edison to work with NYPA on contingency plans for the potential closing of Indian Point in Westchester County;
- A PSC examination of barriers to the expanded use of natural gas service.

In total, the Blueprint calls for adding up to 3,200 MW of additional electric generation and transmission capacity and clean power generation through up to \$5.7 billion in investments over the next five to 10 years and \$250 million to promote and demonstrate the sophisticated series of technologies known as Smart Grid. For further information on the recommended actions of the Blueprint, go to <http://www.nyenergyhighway.com>