# To: secretary@dps.ny.gov

I John Fitzpatrick of Rhinebeck support the views expressed here for a reasonable approach, no towers destroying our scenic Hudson Valley and Clinton here in Upstate Dutchess County, New York: <a href="mailto:jfitzpatrick8@yahoo.com">jfitzpatrick8@yahoo.com</a>; 3 Village Green ,Rhinebeck, NY 12572

Feb. 20, 2014

To: secretary@dps.ny.gov

Subject: Honorable Kathleen Burgess, NYS Public Service Commission

Secretary-- message from Dutchess County Legislator Joel Tyner...

Date: Feb 19, 2014 4:37 PM

Hon. Kathleen H. Burgess Secretary New York State Public Service Commission Empire State Plaza Agency Building 3 Albany, New York 12233-1350

[Re: Case 13-E-0488-- In the Matter of Alternating Current Transmission Upgrades-- Comparative Proceeding]

Dear Ms. Burgess:

I was disturbed to learn recently of the New York "Independent" System Operator's skewed analysis of Boundless Energy's proposal, and

I urge you to reject the NYISO analysis.

I've held literally fifteen public forums on this issue at Clinton

Town Hall since early September, and both GOP Clinton Town Supervisor

Ray Oberly, myself, and 500+ signed on to

http://www.hudsonvalley-cc.org/petition in support of the Boundless

Energy proposal -- as it is by far the least intrusive and least expensive of the four proposals now before the PSC, using the most

cutting-edge, state-of-the-art technology-- compared with much more

intrusive and costly proposals from NYTransco (Central Hudson/National Grid), NextEra, and North American Transmission

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Unlike the other three proposals that would literally destroy our

communities, Boundless Energy's common-sense, engineer-driven solution solves the electricity/congestion bottleneck in our region

without new towers or taking new right-of-way in Clinton, Milan, Pleasant Valley, and Columbia County.

It is my understanding that a screening of the four proposals was

requested by NYSPSC Administrative Law Judge David Prestemon on Oct.

23rd last year. It was supposed to certify that all the proposals had

at least 1,000 MW transfer north to south, and, if possible, assign a

benefit-to-cost ratio to each project. It is not without significance that the NYISO is supported by the existing utilities

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Pleasant Valley: put one more double 345 kV down the existing corridor. National Grid could not get a positive benefit-to-cost ratio the way they figured on doing it, and taking the new land and

higher towers required, so they dragged their feet. The problem became the centerpiece, after trying to close Indian Point, for the

Governor's Energy Highway. The NYISO expected solution was the utilities' same-old, same-old solution for the last decade (as opposed to Boundless Energy's innovative proposal) -- NYISO wants an

entirely new line to "fix" it. Boundless Energy instead came up with

an innovative, modern solution using the carbon-fiber wire and undergrounding for a short distance to go around the problem using

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and the public, but this is somewhat disruptive to the traditional

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must demand that, since every proposal failed the N-1, (National

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failed the worst) under this strange protocol, Boundless Energy must

be allowed to submit improvements, if the PSC chooses to go forward

with this way of screening.

As our friends from Hudson Valley Concerned Citizens note (see <a href="http://www.hudsonvalley-cc.org/">http://www.hudsonvalley-cc.org/</a>; also see

http://www.nomonsterpowerlines.com/and

http://www.clintonunited.org/):

"Many new transmission lines projects are proposed for the Hudson

Valley to allow upstate surplus electricity to be sent down state to

New York City and Long Island. These transmission lines will blight

the Hudson Valley for centuries to come. We must act now, and demand

that new lines are placed UNDERGROUND or are installed on existing

towers, setting the precedent for decades to come, preserving the

beauty and health of the Hudson Valley, and meet the needs of New

York City. Underground cables will greatly increase the reliability

and security of electric service to New York City. For some additional cost now we gain exemplary protection from ice storms,

hurricanes like Sandy, terrorist attacks and the extraordinary future

savings of maintenance and emergency repairs.

The Response to Governor Cuomo's Energy Highway Initiative - to supply New York City with much needed and lower cost electricity and

to possibly reverse the impending \$340 Million/yr FERC Capacity Zone

Rate hike in the Hudson Valley/NYC region - has produced four proposals to build a major new transmission line.

ONLY ONE of the four projects could be rapidly permitted, and quickly

built with few or no intervenors, requiring less than 50 miles of new

work to solve the problem - proving to NYSIO and FERC that the rate

hike is not needed ( see Senator Chuck Schumer's letter to FERC Chairman Jon Wellinghoff below)

Three would use traditional overhead lines that require new taller

'monster' towers and new land for right of way (ROW) incurring extravagant costs over hundreds of miles of congested ROW. These three proposals would be fought by all those Residents through whose

property they must pass and whose property would be taken by Eminent

Domain. Extending the period of Crippling Property values - which is

already well underway - for many more years.

The fourth, from a group of non-traditional utility engineers, uses

undergrounding and high tech cable to remain less expensive and avoid

new towers or land taking, and becomes nearly storm proof - but presently has no political patron.

By using undergrounding in this project, they establish a precedent

for all future transmission line projects in the State of New York.

But political recognition and apparent support may well have arrived

indirectly from the highest level, from our Governor in his State of

the State plan published January 8, where he explicitly recognized

the advantages of the 4th approach, and called for exactly this type  $% \frac{1}{2}\left( \frac{1}{2}\right) =\frac{1}{2}\left( \frac{1}{2}\right) +\frac{1}{2}\left( \frac{1}{2}\right)$ 

of solution:

"To help achieve the balance between providing for the state's electric needs and preserving the local community's quality of life,

the State will expedite projects that would be built wholly within

existing transmission corridors (i.e., projects that do not result in

higher or wider transmission corridors) or buried along existing

State-owned rights of way such as waterways and highways . . . This

approach does not change the standard review and input process for

any project that would require a wider right of way "envelope," taller towers or other expanded transmission corridors."

P. 63 "Building on Success" 2014 State of the State - Gov. Andrew Cuomo

Only one project now meets these goals in the published plans. It

does not use the usual new towers or overhead lines, stays completely

in existing right of ways, and drills under the Hudson without bottom

disturbance. The Governor has clearly recognized its advantages and

responded to the public's pleas.

We must work together across the Hudson Valley Region and New York

City to let the Governor know that we appreciate his response and we

take him at his word. His plan has a quiet disciple: Boundless Energy

(<a href="http://www.leedspathwest.com/interactive-map">http://www.leedspathwest.com/interactive-map</a>) the small group of

innovative Engineers who designed the underwater/underground Neptune

line that was built in 2007 for \$660 M and now carries 20% of all of

Long Island's power - safe under the sea bottom and never touched by Sandy!

We need to carry the message to the Governor that for now, we recognize that only the Boundless project is marching to his drumbeat, with 21st Century solutions!

THIS IS WHAT THE PEOPLE OF NEW YORK STATE WANT FROM THEIR LEADERSHIP

IN NEW TRANSMISSION PROJECTS"

Crucial -- Boundless Energy's solution is the only one that could be

completed in time to avoid the deadly "new capacity zone" ten-

percent

electricity rate hike proposed by FERC/NYISO-- and I know you don't

want that to happen.

So please-- reject the other three proposals (along with NYISO's latest "screening")-- and select Boundless Energy's proposal-- without further delay!

Thank you for your attention to this matter.

Yours,

Joel Tyner
Dutchess County Legislator
Clinton/Rhinebeck
<a href="http://www.dutchessdemocracy.blogspot.com/">http://www.dutchessdemocracy.blogspot.com/</a>
845-453-2105

p.s. Josh Fox, Mark Ruffalo, Mark Jacobson/Stanford, and Anthony Ingraffea/Robert Howarth/Cornell are right-- locally generated, renewable power is truly the solution of solutions-- see <a href="http://www.thesolutionsproject.org/">http://www.thesolutionsproject.org/</a>-- sooner or later we're going to

have to embrace this type of a win-win-win, green-jobs, cost-saving,

clean-air, 100% fossil-fuel-free vision for NYS!

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A copy of Schumer's letter to FERC Chariman Jon Wellinghoff is below:

Dear Chairman Wellinghoff,

I write to urge the Federal Regulatory Commission (FERC) to delay the  $\,$ 

New York Independent System Operator's (NYISO) proposed tariff revisions to establish a new capacity zone (NCZ) until at least 2017.

As it stands, the NYISO plans to implement the NCS by May 1, 2014 to

coincide with the start of the 2014/2015 capability year. Though the

stated purpose of this NCZ is to increase electricity prices as  $\ensuremath{\mathtt{a}}$ 

means to attract more investment in power generation to address reliability constraints in the region, the capacity zone does

account for new transmission initiatives underway that form part of

New York State's Energy Highway Blueprint that will address the deliverability constraint identified by NYISO. The State of New York's plan to build major transmission facilities by the summer of

2016 will have a material impact on bulk power capacity in the corridor has identified as congested and will eliminate the need for

price increases for ratepayers that may be upwards of \$350 million per year.

FOR IMMEDIATE RELEASE: November 7, 2013

SCHUMER: FERC PLAN FOR REZONING HUDSON VALLEY POWER GRID WOULD UNFAIRLY HIKE RATES BEFORE IN- PROGRESS TRANSMISSION UPGRADES ARE

FINISHED - SENATOR URGES FERC TO DELAY NEW ZONE AND RESULTING RATE

HIKES UNTIL THREE ENERGY HIGHWAY INITIATIVES ARE COMPLETED

NYS "Energy Highway" Initiatives, Due For Completion In 2016, May

Alleviate Power Constraints on Hudson Valley- Schumer joins PSC and

Others to Urge Fed. Energy Regulation Commission to Delay New 'Capacity Zone' until Upgrades Can Be Quantified and Assessed

FERC's Proposed New Zone Would Raise Prices Between 6 and 15% for

Ratepayers in the Hudson Valley, Cost Over \$350 Million Annually

Schumer to FERC: Changing the Power Grid Now is Jumping the Gun

Wait for Transmission Upgrades to Be Completed Before Making Any Zoning Changes

Today, U.S. Senator Charles E. Schumer urged the Federal Energy Regulatory Commission (FERC) to delay their order to implement a new

capacity zone that covers a significant portion of the Hudson

Valley

power grid - a move which could result in a rate increase of between

6 and 15 percent for Hudson Valley ratepayers, or over \$350 million

annually - until they can assess the impact of in-progress transmission upgrades. FERC and the New York State Independent System

Operator (NYSIO), which operates the state power grid, have proposed

a new capacity zone in the grid which includes Orange, Ulster, Rockland, and Sullivan Counties in an attempt to alleviate power constraints in the area by increasing prices to attract new power

generation capacity.

Schumer today joined the NYS Public Service Commission (PSC) and the

New York Power Authority (NYPA), among others, to call for a delay in

the new zone until transmission upgrades recently approved as part of

New York State's Energy Highway Project could be realized and assessed. Schumer explained that transmission projects approved by

the PSC are set to be completed in 2016, and are projected to create

upwards of 600 megawatts of power by moving energy more efficiently

to the Hudson Valley and New York City. Schumer said that FERC's new

zone would preliminarily jack-up the prices for ratepayers in advance

of the completion of these projects that will help relieve the initial problem, and perhaps eliminate the need for a new zone.

"While we need to find better and more creative ways to alleviate the

power constraints on the Hudson Valley and New York City, FERC's proposal for a new zone is jumping the gun - it would increase the

burden on ratepayers before other efforts to solve the problem can be

completed," said Schumer. "That's why I'm asking FERC to delay their

implementation of a new capacity zone until at least 2017, when we

can properly assess the impact of in-progress transmission upgrades.

These upgrades may lead us to a solution that doesn't include a proposal that would, in the short-term, line the pockets of existing

power generators without a substantive increase in power
generation."

The FERC and NYISO order would create a new capacity zone in the power grid that stretches from New York City to Albany in an attempt

to alleviate a transmission bottleneck. Currently, there is a surplus

of cheaper power generated Upstate that does not reach energy-needy

areas in the Hudson Valley and New York City in an efficient manner.

The new zone is designed to increase electricity prices to attract

new power plants to the region; estimates by the New York Dept. of

Public Service (NYDPS) put the annual increase of cost at \$350 million. Orange and Rockland Utilities customers may face a 6 to 10%

increase in prices, residents in Central Hudson's area could see a

10% increase, and large industrial ratepayers could see as much as a

15% increase in energy prices. Schumer noted that although he supported finding new energy sources for Hudson Valley residents, he

does not support doing so on the backs of ratepayers if, as in this

case, other options exist to deliver the needed power more efficiently and cheaply. Schumer expressed concern these large rate

hikes could have on small businesses and employers throughout the

Hudson Valley. For many companies, such a large spike in energy costs

could decrease job creation and expansion efforts at a time when the

local economy is on the track for economic growth.

Furthermore, he pointed out that transmission upgrades proposed by

the New York State Energy Highway program, which are approved by

the

PSC and set to go online in 2016, are specifically designed to deliver power around the bottleneck to Hudson Valley customers. One

such project is an \$11 million investment in transmission upgrades

running from Central Hudson's Rock Tavern substation to Con Edison's

Ramapo substation in Rockland County. Schumer explained that it made

no sense to jack-up the rates on residents now, before such efforts  $% \left( 1\right) =\left( 1\right) +\left( 1\right)$ 

could be completed.

Schumer argued that the current proposal would undermine statewide

efforts to increase the efficiency of transmission and delivery systems, and unfairly hike rates before any new power generation could be achieved. Schumer said that, at the very least, in the event

the new zone moves forward, rate hikes should be delayed or phased-in. As it stands, Hudson Valley consumers would see skyrocketing rates even before prospective energy developers could

move-in and help increase power generation.

The new capacity zone is set to take effect in May of 2014, and Schumer is seeking a delay until 2017 at minimum, or until the transmission upgrades from the Energy Highway initiatives can be properly assessed.

### REUTERS:

http://www.reuters.com/article/2013/09/26/utilities-newyork-ferc-idUSL2N0HM14K20130926

New York seeks delay of costly FERC power capacity zone decision Sept 26 Thu Sep 26, 2013 12:23pm EDT

(Reuters) - New York utility regulators and some of the state's power

companies asked federal energy regulators to reverse a recent decision that the New York parties say could increase electric

in the Lower Hudson Valley by \$350 million a year.

The New York State Public Service Commission (PSC) and the state-owned New York Power Authority (NYPA) said in a press release

on Wednesday that the proposed new capacity zone in the Lower Hudson

Valley could result in the construction of unnecessary new power projects.

The PSC, NYPA and other New York utilities asked the U.S. Federal

Energy Regulatory Commission (FERC) to reconsider its August decision

allowing the state's power grid operator, the New York Independent

System Operator (NYISO), to create a new capacity zone in the Lower

Hudson Valley that includes New York City.

The NYISO has said it designed the new capacity zone to maintain system reliability and attract investments in new and existing generation and demand response resources.

In basic terms, capacity markets pay generators to help keep existing

power plants in service and build new units in order to maintain system reliability. Demand response providers who agree to reduce

power usage when needed can also participate in capacity markets.

The new zone will include the current NYISO zones G, H and I in the

Lower Hudson Valley and zone J in New York City.

The PSC and NYPA said the state is already working on New York Governor Andrew Cuomo's so-called Energy Highway initiative to expand

the state's transmission resources to bring more power from upstate

New York to the Lower Hudson Valley and New York City area.

The PSC and NYPA said the Energy Highway could negate the need for

FERC to offer financial incentives to build more power plants downstate.

"We strongly urged FERC to reconsider its decision to create a new

capacity zone in New York, which it says is needed to build more power plants downstate to alleviate demand for electricity," PSC Chairwoman Audrey Zibelman said in the release.

"We are well aware of the downstate demand for electricity...However,

in its decision, FERC did not take into consideration the ongoing

initiatives included in the Governor's Energy Highway," Zibelman said.

The biggest power companies in New York include units of Consolidated

Edison Inc, National Grid Plc, Iberdrola SA, Entergy Corp, TransCanada Corp and NRG Energy Inc.

#### COSTS TO RISE

The PSC said if FERC's plan goes into effect, typical residential

customers in the Lower Hudson Valley could see monthly bill increases

ranging from 5 percent to almost 10 percent, depending on the utility. The increases for industrial and commercial customers could

be even higher, the PSC said.

"Creation of a permanent new capacity zone undermines the Governor's

Energy Highway initiatives," Gil Quiniones, NYPA president and chief

executive, said in the release.

"The Energy Highway pursues a long-term solution to deliver lower-cost, upstate power to the downstate area by reinforcing the

transmission system, Quiniones said, noting the new capacity

will "take money out of the pockets of ratepayers and result in

windfall of profits for existing power plant owners in the region."

The NYISO plans to implement the new zone by May 1, 2014. The PSC is

asking FERC to delay implementing its decision until 2017 and consider how the Energy Highway proposals will affect long-term power prices.

"Without such analysis, FERC cannot properly assess whether it is

causing more harm than good, and whether consumers might end up paying hundreds of millions of dollars for unneeded power plants,"

the PSC and NYPA said.

Governor Cuomo proposed the Energy Highway initiative in January 2012

to rebuild the state's power system by adding up to 3,200 megawatts

(MW) of generation and transmission capacity and clean power.

One megawatt can power about 1,000 New York homes. To: secretary@dps.ny.gov

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As our friends from Hudson Valley Concerned Citizens note (see <a href="http://www.hudsonvalley-cc.org/">http://www.hudsonvalley-cc.org/</a>; also see <a href="http://www.nomonsterpowerlines.com/">http://www.nomonsterpowerlines.com/</a> and <a href="http://www.clintonunited.org/">http://www.clintonunited.org/</a>):

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We must work together across the Hudson Valley Region and New York

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(<a href="http://www.leedspathwest.com/interactive-map">http://www.leedspathwest.com/interactive-map</a>) the small group of

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IN NEW TRANSMISSION PROJECTS"

Crucial -- Boundless Energy's solution is the only one that could be

completed in time to avoid the deadly "new capacity zone" tenpercent

electricity rate hike proposed by FERC/NYISO-- and I know you don't

want that to happen.

So please-- reject the other three proposals (along with NYISO's latest "screening")-- and select Boundless Energy's proposal-- without further delay!

Thank you for your attention to this matter.

Yours,

Joel Tyner
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p.s. Josh Fox, Mark Ruffalo, Mark Jacobson/Stanford, and Anthony Ingraffea/Robert Howarth/Cornell are right-- locally generated, renewable power is truly the solution of solutions-- see <a href="http://www.thesolutionsproject.org/">http://www.thesolutionsproject.org/</a>-- sooner or later we're going to

have to embrace this type of a win-win, green-jobs, cost-saving,

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A copy of Schumer's letter to FERC Chariman Jon Wellinghoff is below:

Dear Chairman Wellinghoff,

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delay the

New York Independent System Operator's (NYISO) proposed tariff revisions to establish a new capacity zone (NCZ) until at least 2017

As it stands, the NYISO plans to implement the NCS by May 1, 2014 to

coincide with the start of the 2014/2015 capability year. Though the

stated purpose of this NCZ is to increase electricity prices as

means to attract more investment in power generation to address reliability constraints in the region, the capacity zone does not

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2016 will have a material impact on bulk power capacity in the corridor has identified as congested and will eliminate the need for

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FERC's Proposed New Zone Would Raise Prices Between 6 and 15% for

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Schumer to FERC: Changing the Power Grid Now is Jumping the Gun

Wait for Transmission Upgrades to Be Completed Before Making Any Zoning Changes

Today, U.S. Senator Charles E. Schumer urged the Federal Energy Regulatory Commission (FERC) to delay their order to implement a new

capacity zone that covers a significant portion of the Hudson Valley

power grid - a move which could result in a rate increase of between

6 and 15 percent for Hudson Valley ratepayers, or over \$350 million

annually - until they can assess the impact of in-progress transmission upgrades. FERC and the New York State Independent System

Operator (NYSIO), which operates the state power grid, have proposed

a new capacity zone in the grid which includes Orange, Ulster, Rockland, and Sullivan Counties in an attempt to alleviate power constraints in the area by increasing prices to attract new power

generation capacity.

Schumer today joined the NYS Public Service Commission (PSC) and the

New York Power Authority (NYPA), among others, to call for a delay in

the new zone until transmission upgrades recently approved as part of

New York State's Energy Highway Project could be realized and assessed. Schumer explained that transmission projects approved by

the PSC are set to be completed in 2016, and are projected to create

upwards of 600 megawatts of power by moving energy more efficiently

to the Hudson Valley and New York City. Schumer said that FERC's new

zone would preliminarily jack-up the prices for ratepayers in advance

of the completion of these projects that will help relieve the initial problem, and perhaps eliminate the need for a new zone.

"While we need to find better and more creative ways to

alleviate the

power constraints on the Hudson Valley and New York City, FERC's proposal for a new zone is jumping the gun - it would increase the

burden on ratepayers before other efforts to solve the problem can be

completed," said Schumer. "That's why I'm asking FERC to delay their

implementation of a new capacity zone until at least 2017, when we

can properly assess the impact of in-progress transmission upgrades.

These upgrades may lead us to a solution that doesn't include a proposal that would, in the short-term, line the pockets of existing

power generators without a substantive increase in power
generation."

The FERC and NYISO order would create a new capacity zone in the power grid that stretches from New York City to Albany in an attempt

to alleviate a transmission bottleneck. Currently, there is a surplus

of cheaper power generated Upstate that does not reach energyneedy

areas in the Hudson Valley and New York City in an efficient manner.

The new zone is designed to increase electricity prices to attract

new power plants to the region; estimates by the New York Dept. of

Public Service (NYDPS) put the annual increase of cost at \$350 million. Orange and Rockland Utilities customers may face a 6 to 10%

increase in prices, residents in Central Hudson's area could see a

10% increase, and large industrial ratepayers could see as much as a

15% increase in energy prices. Schumer noted that although he supported finding new energy sources for Hudson Valley residents, he

does not support doing so on the backs of ratepayers if, as in

case, other options exist to deliver the needed power more efficiently and cheaply. Schumer expressed concern these large rate

hikes could have on small businesses and employers throughout

the

Hudson Valley. For many companies, such a large spike in energy costs

could decrease job creation and expansion efforts at a time when the

local economy is on the track for economic growth.

Furthermore, he pointed out that transmission upgrades proposed by

the New York State Energy Highway program, which are approved by the

PSC and set to go online in 2016, are specifically designed to deliver power around the bottleneck to Hudson Valley customers. One

such project is an \$11 million investment in transmission upgrades

running from Central Hudson's Rock Tavern substation to Con Edison's

Ramapo substation in Rockland County. Schumer explained that it made

no sense to jack-up the rates on residents now, before such efforts

could be completed.

Schumer argued that the current proposal would undermine statewide

efforts to increase the efficiency of transmission and delivery systems, and unfairly hike rates before any new power generation could be achieved. Schumer said that, at the very least, in the event

the new zone moves forward, rate hikes should be delayed or phased-in. As it stands, Hudson Valley consumers would see skyrocketing rates even before prospective energy developers could

move-in and help increase power generation.

The new capacity zone is set to take effect in May of 2014, and Schumer is seeking a delay until 2017 at minimum, or until the transmission upgrades from the Energy Highway initiatives can be properly assessed.

#### REUTERS:

http://www.reuters.com/article/2013/09/26/utilities-newyorkferc-idUSL2N0HM14K20130926 New York seeks delay of costly FERC power capacity zone decision Sept 26 Thu Sep 26, 2013 12:23pm EDT

(Reuters) - New York utility regulators and some of the state's power

companies asked federal energy regulators to reverse a recent decision that the New York parties say could increase electric bills

in the Lower Hudson Valley by \$350 million a year.

The New York State Public Service Commission (PSC) and the state-owned New York Power Authority (NYPA) said in a press release

on Wednesday that the proposed new capacity zone in the Lower Hudson

Valley could result in the construction of unnecessary new power projects.

The PSC, NYPA and other New York utilities asked the U.S. Federal

Energy Regulatory Commission (FERC) to reconsider its August decision

allowing the state's power grid operator, the New York Independent

System Operator (NYISO), to create a new capacity zone in the Lower

Hudson Valley that includes New York City.

The NYISO has said it designed the new capacity zone to maintain system reliability and attract investments in new and existing generation and demand response resources.

In basic terms, capacity markets pay generators to help keep existing

power plants in service and build new units in order to maintain system reliability. Demand response providers who agree to reduce

power usage when needed can also participate in capacity markets.

The new zone will include the current NYISO zones G, H and I in the

Lower Hudson Valley and zone J in New York City.

The PSC and NYPA said the state is already working on New York Governor Andrew Cuomo's so-called Energy Highway initiative to

expand

the state's transmission resources to bring more power from upstate

New York to the Lower Hudson Valley and New York City area.

The PSC and NYPA said the Energy Highway could negate the need for

FERC to offer financial incentives to build more power plants downstate.

"We strongly urged FERC to reconsider its decision to create a new

capacity zone in New York, which it says is needed to build more power plants downstate to alleviate demand for electricity," PSC Chairwoman Audrey Zibelman said in the release.

"We are well aware of the downstate demand for electricity...However,

in its decision, FERC did not take into consideration the ongoing

initiatives included in the Governor's Energy Highway," Zibelman said.

The biggest power companies in New York include units of Consolidated

Edison Inc, National Grid Plc, Iberdrola SA, Entergy Corp, TransCanada Corp and NRG Energy Inc.

#### COSTS TO RISE

The PSC said if FERC's plan goes into effect, typical residential

customers in the Lower Hudson Valley could see monthly bill increases

ranging from 5 percent to almost 10 percent, depending on the utility. The increases for industrial and commercial customers could

be even higher, the PSC said.

"Creation of a permanent new capacity zone undermines the Governor's

Energy Highway initiatives," Gil Quiniones, NYPA president and chief

executive, said in the release.

"The Energy Highway pursues a long-term solution to deliver lower-cost, upstate power to the downstate area by reinforcing

the

transmission system, Quiniones said, noting the new capacity zone

will "take money out of the pockets of ratepayers and result in a

windfall of profits for existing power plant owners in the region."

The NYISO plans to implement the new zone by May 1, 2014. The PSC is

asking FERC to delay implementing its decision until 2017 and consider how the Energy Highway proposals will affect long-term power

prices.

"Without such analysis, FERC cannot properly assess whether it is

causing more harm than good, and whether consumers might end up paying hundreds of millions of dollars for unneeded power plants,"

the PSC and NYPA said.

Governor Cuomo proposed the Energy Highway initiative in January 2012

to rebuild the state's power system by adding up to 3,200 megawatts

(MW) of generation and transmission capacity and clean power.

One megawatt can power about 1,000 New York homes. To: secretary@dps.ny.gov

Subject: Honorable Kathleen Burgess, NYS Public Service Commission

Secretary-- message from Dutchess County Legislator Joel Tyner...

Date: Feb 19, 2014 4:37 PM

Hon. Kathleen H. Burgess
Secretary
New York State Public Service Commission
Empire State Plaza
Agency Building 3
Albany, New York 12233-1350

[Re: Case 13-E-0488-- In the Matter of Alternating Current Transmission Upgrades-- Comparative Proceeding]

Dear Ms. Burgess:

I was disturbed to learn recently of the New York "Independent" System Operator's skewed analysis of Boundless Energy's proposal, and

I urge you to reject the NYISO analysis.

I've held literally fifteen public forums on this issue at Clinton

Town Hall since early September, and both GOP Clinton Town Supervisor

Ray Oberly, myself, and 500+ signed on to

http://www.hudsonvalley-cc.org/petition in support of the Boundless

Energy proposal -- as it is by far the least intrusive and least expensive of the four proposals now before the PSC, using the most

cutting-edge, state-of-the-art technology-- compared with much more

intrusive and costly proposals from NYTransco (Central Hudson/National Grid), NextEra, and North American Transmission Corp).

Unlike the other three proposals that would literally destroy our

communities, Boundless Energy's common-sense, engineer-driven solution solves the electricity/congestion bottleneck in our region

without new towers or taking new right-of-way in Clinton, Milan, Pleasant Valley, and Columbia County.

It is my understanding that a screening of the four proposals was

requested by NYSPSC Administrative Law Judge David Prestemon on Oct.

23rd last year. It was supposed to certify that all the proposals had

at least 1,000 MW transfer north to south, and, if possible, assign a

benefit-to-cost ratio to each project. It is not without significance that the NYISO is supported by the existing utilities

and is actually paid through a fund collected by them. They have

relationship with people who work as closely with the NYISO as possible. The NYISO also asked the utilities (originally Niagara Mohawk, now National Grid) to do the obvious fix for the long existing and increasingly expensive "congestion" between Leeds

and

Pleasant Valley: put one more double 345 kV down the existing corridor. National Grid could not get a positive benefit-to-cost ratio the way they figured on doing it, and taking the new land and

higher towers required, so they dragged their feet. The problem became the centerpiece, after trying to close Indian Point, for the

Governor's Energy Highway. The NYISO expected solution was the utilities' same-old, same-old solution for the last decade (as opposed to Boundless Energy's innovative proposal) -- NYISO wants an

entirely new line to "fix" it. Boundless Energy instead came up with

an innovative, modern solution using the carbon-fiber wire and undergrounding for a short distance to go around the problem using

mostly existing equipment and all in existing right of way. It is far

cheaper, faster, and less environmentally intrusive, the real, common-sense criteria for selecting the best solution for the system

and the public, but this is somewhat disruptive to the traditional

way of doing business in the utility world at this point. It will

become, we believe, standard in the future. Please don't let the status quo win out here.

Furthermore, the screening technique used by the NYISO is not the one

generally applied across the country, and not exactly what was modeled by Siemens. Siemens used the FERC 715 for 2018 year, as did

the NYISO. However, across the country the N-1 criteria is the standard, where one bad event such as a tree falling on the best north-south line for us, occurs. There is then assumed to be a short

period for "re-dispatch" or shutting down generators north of the

failure, and cranking up those not going full blast south of the failure, in this case. Then a second disaster can be put in, for "N-1-1" with this re-dispatch in place. This N-1-1 is not a "go, no

go" normally, but obviously considered a rare occurrence, yet a way

of dealing with it needs to be identified. Here it is implied

that

the N-1-1 contingency has become the criteria to screen the projects.

This automatically favors the traditional all new transmission line

and ROW. This screening technique uses a very special case, with some

other assumptions on the dispatch of generation that were not made

fully known to all participants in the two page guidance given out in

the Judge Prestemon's technical conference in November, and it actually strongly favors completely new lines. When you fix an existing line and make it much better, at less expense and damage as

Boundless Energy did, the way this was done the N-1 takes out not

only the new Boundless line from Leeds to Kingston, it takes out the

existing 345 kV that was already there and replaced by Boundless - a

double whammy. It is a peculiar way to do a screening that strongly

favors a completely new line, which may not really be needed. On top

of all this, with the NYTransco project by National Grid, the NYISO

somehow assumed that their new project would not be one of the best

routes, as Boundless would, so they did not take it out as on N-1-1.

So on the second test, Grid and the local utilities become automatically the winner of a comparison using this peculiar screening technique. On the first cut, N-1 alone, the dispatch of the

generators they chose cause one of the many Next Era solutions to do

best, although it still flunks N-1 for 1,000 MW(!).

This screening technique has little to do with the real world or the

standard way of checking projects in their interconnection studies

required for final approval. In the real requirements that FERC  $\mbox{\ensuremath{\mbox{will}}}$ 

find approval with, the N-1 contingency must be met, and the N- 1-1

checked. Everyone of the four projects failed the way the NYISO did

their N-1. So all must be changed in some way to meet the real requirement they will have to meet. This screening technique needs to

be challenged by the public - it automatically takes out any dramatically superior solution as the first N-1, ensuring that such  $\left(\frac{1}{2}\right)^{1/2}$ 

projects will always be scored lower and gradual mediocrity be the

required way of improving the expensive system we have inherited.

This makes no sense. But for now, since it is now clear what they are

doing, Boundless Energy can add some additional improvements and still be far superior and still cheapest, building on our originally

superior solution, even under this strange screening technique.

Siemens was so upset that they have been working all weekend almost

around the clock, first to figure out what the NYISO actually did to

come up with these results so different from what they had modeled

using standard approach to the 715 FERC Case for 2018, and now, with

the help of Boundless Energy's John Tompkins, how to fix it using our

modern techniques and staying in the ROW's using the best available

technology. Boundless Energy has already identified three ways of

augmenting oursolution, which can greatly improve the overall system

and still remain the least expensive with no extra right of way or

new towers. Siemens is working on these in Syracuse, and will soon be

issuing a paper that will first explain the shocking results of the

NYISO "screening" and secondly, if this technique is allowed to remain in effect for this proceeding, that Boundless Energy will still meet it better than anyone else, building on the basic project

which is still the real world cheapest, fastest and less damaging

solution. The public will have to pay for the extra fix, but Boundless Energy will make it as valuable to the overall system

as possible, with the least disruption as possible.

Lastly, I strongly urge the NYS Public Service Commission to strongly question the NYISO screening "technique", and how it favors

the status-quo solutions of new lines and right of ways-- we should

not be doing this any more until modern techniques as is proposed

here have first been checked out as the best solution, least disruptive and least expensive. The present approach favors large

utility traditional rate base solutions and makes modern equipment

and innovation at a disadvantage. The NYS Public Service Commission

must demand that, since every proposal failed the N-1, (National Grid

failed the worst) under this strange protocol, Boundless Energy must

be allowed to submit improvements, if the PSC chooses to go forward

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Thank you for your attention to this matter.

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a new capacity zone in the grid which includes Orange, Ulster, Rockland, and Sullivan Counties in an attempt to alleviate power constraints in the area by increasing prices to attract new power

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Schumer today joined the NYS Public Service Commission (PSC) and the

New York Power Authority (NYPA), among others, to call for a delay in

the new zone until transmission upgrades recently approved as part of

New York State's Energy Highway Project could be realized and assessed. Schumer explained that transmission projects approved by

the PSC are set to be completed in 2016, and are projected to create

upwards of 600 megawatts of power by moving energy more efficiently

to the Hudson Valley and New York City. Schumer said that FERC's new

zone would preliminarily jack-up the prices for ratepayers in advance

of the completion of these projects that will help relieve the initial problem, and perhaps eliminate the need for a new zone.

"While we need to find better and more creative ways to alleviate the

power constraints on the Hudson Valley and New York City, FERC's proposal for a new zone is jumping the gun - it would increase the

burden on ratepayers before other efforts to solve the problem can be

completed," said Schumer. "That's why I'm asking FERC to delay their

implementation of a new capacity zone until at least 2017, when we

can properly assess the impact of in-progress transmission upgrades.

These upgrades may lead us to a solution that doesn't include a proposal that would, in the short-term, line the pockets of existing

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The FERC and NYISO order would create a new capacity zone in the power grid that stretches from New York City to Albany in an attempt

to alleviate a transmission bottleneck. Currently, there is a surplus

of cheaper power generated Upstate that does not reach energyneedy

areas in the Hudson Valley and New York City in an efficient manner.

The new zone is designed to increase electricity prices to attract

new power plants to the region; estimates by the New York Dept. of

Public Service (NYDPS) put the annual increase of cost at \$350 million. Orange and Rockland Utilities customers may face a 6 to 10%

increase in prices, residents in Central Hudson's area could see a

10% increase, and large industrial ratepayers could see as much

as a

15% increase in energy prices. Schumer noted that although he supported finding new energy sources for Hudson Valley residents, he

does not support doing so on the backs of ratepayers if, as in this

case, other options exist to deliver the needed power more efficiently and cheaply. Schumer expressed concern these large rate

hikes could have on small businesses and employers throughout the

Hudson Valley. For many companies, such a large spike in energy costs

could decrease job creation and expansion efforts at a time when the

local economy is on the track for economic growth.

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the New York State Energy Highway program, which are approved by

such project is an \$11 million investment in transmission upgrades

running from Central Hudson's Rock Tavern substation to Con Edison's

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no sense to jack-up the rates on residents now, before such efforts

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Schumer argued that the current proposal would undermine statewide

efforts to increase the efficiency of transmission and delivery systems, and unfairly hike rates before any new power generation could be achieved. Schumer said that, at the very least, in the event

the new zone moves forward, rate hikes should be delayed or phased-in. As it stands, Hudson Valley consumers would see skyrocketing rates even before prospective energy developers could

move-in and help increase power generation.

The new capacity zone is set to take effect in May of 2014, and

Schumer is seeking a delay until 2017 at minimum, or until the transmission upgrades from the Energy Highway initiatives can be properly assessed.

## **REUTERS:**

http://www.reuters.com/article/2013/09/26/utilities-newyorkferc-idUSL2N0HM14K20130926

New York seeks delay of costly FERC power capacity zone decision Sept 26 Thu Sep 26, 2013 12:23pm EDT

(Reuters) - New York utility regulators and some of the state's power

companies asked federal energy regulators to reverse a recent decision that the New York parties say could increase electric bills

in the Lower Hudson Valley by \$350 million a year.

The New York State Public Service Commission (PSC) and the state-owned New York Power Authority (NYPA) said in a press release

on Wednesday that the proposed new capacity zone in the Lower Hudson

Valley could result in the construction of unnecessary new power projects.

The PSC, NYPA and other New York utilities asked the U.S. Federal

Energy Regulatory Commission (FERC) to reconsider its August decision

allowing the state's power grid operator, the New York Independent

System Operator (NYISO), to create a new capacity zone in the Lower

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The NYISO has said it designed the new capacity zone to maintain system reliability and attract investments in new and existing generation and demand response resources.

In basic terms, capacity markets pay generators to help keep existing

power plants in service and build new units in order to maintain system reliability. Demand response providers who agree to

reduce

power usage when needed can also participate in capacity markets.

The new zone will include the current NYISO zones G, H and I in the

Lower Hudson Valley and zone J in New York City.

The PSC and NYPA said the state is already working on New York Governor Andrew Cuomo's so-called Energy Highway initiative to expand

the state's transmission resources to bring more power from upstate

New York to the Lower Hudson Valley and New York City area.

The PSC and NYPA said the Energy Highway could negate the need for

FERC to offer financial incentives to build more power plants downstate.

"We strongly urged FERC to reconsider its decision to create a new

capacity zone in New York, which it says is needed to build more power plants downstate to alleviate demand for electricity," PSC Chairwoman Audrey Zibelman said in the release.

"We are well aware of the downstate demand for electricity... However,

in its decision, FERC did not take into consideration the ongoing

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The biggest power companies in New York include units of Consolidated

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COSTS TO RISE

The PSC said if FERC's plan goes into effect, typical residential

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"Creation of a permanent new capacity zone undermines the Governor's

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The NYISO plans to implement the new zone by May 1, 2014. The PSC is

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Governor Cuomo proposed the Energy Highway initiative in January 2012

to rebuild the state's power system by adding up to 3,200 megawatts

(MW) of generation and transmission capacity and clean power.

One megawatt can power about 1,000 New York homes. To: secretary@dps.ny.gov

Subject: Honorable Kathleen Burgess, NYS Public Service Commission

Secretary-- message from Dutchess County Legislator Joel Tyner...

Date: Feb 19, 2014 4:37 PM

Hon. Kathleen H. Burgess

Secretary
New York State Public Service Commission
Empire State Plaza
Agency Building 3
Albany, New York 12233-1350

[Re: Case 13-E-0488-- In the Matter of Alternating Current Transmission Upgrades-- Comparative Proceeding]

## Dear Ms. Burgess:

I was disturbed to learn recently of the New York "Independent" System Operator's skewed analysis of Boundless Energy's proposal, and

I urge you to reject the NYISO analysis.

I've held literally fifteen public forums on this issue at Clinton

Town Hall since early September, and both GOP Clinton Town Supervisor

Ray Oberly, myself, and 500+ signed on to

http://www.hudsonvalley-cc.org/petition in support of the
Boundless

Energy proposal -- as it is by far the least intrusive and least expensive of the four proposals now before the PSC, using the most

cutting-edge, state-of-the-art technology-- compared with much more

intrusive and costly proposals from NYTransco (Central Hudson/National Grid), NextEra, and North American Transmission Corp).

Unlike the other three proposals that would literally destroy our

communities, Boundless Energy's common-sense, engineer-driven solution solves the electricity/congestion bottleneck in our region

without new towers or taking new right-of-way in Clinton, Milan, Pleasant Valley, and Columbia County.

It is my understanding that a screening of the four proposals was

requested by NYSPSC Administrative Law Judge David Prestemon on Oct.

23rd last year. It was supposed to certify that all the proposals had

at least 1,000 MW transfer north to south, and, if possible,

assign a

benefit-to-cost ratio to each project. It is not without significance that the NYISO is supported by the existing utilities

and is actually paid through a fund collected by them. They have a

relationship with people who work as closely with the NYISO as possible. The NYISO also asked the utilities (originally Niagara Mohawk, now National Grid) to do the obvious fix for the long existing and increasingly expensive "congestion" between Leeds and

Pleasant Valley: put one more double 345 kV down the existing corridor. National Grid could not get a positive benefit-to-cost ratio the way they figured on doing it, and taking the new land and

higher towers required, so they dragged their feet. The problem became the centerpiece, after trying to close Indian Point, for the

Governor's Energy Highway. The NYISO expected solution was the utilities' same-old, same-old solution for the last decade (as opposed to Boundless Energy's innovative proposal) -- NYISO wants an

entirely new line to "fix" it. Boundless Energy instead came up with

an innovative, modern solution using the carbon-fiber wire and undergrounding for a short distance to go around the problem using

mostly existing equipment and all in existing right of way. It is far

cheaper, faster, and less environmentally intrusive, the real, common-sense criteria for selecting the best solution for the system

and the public, but this is somewhat disruptive to the traditional

way of doing business in the utility world at this point. It will

become, we believe, standard in the future. Please don't let the status quo win out here.

Furthermore, the screening technique used by the NYISO is not the one

generally applied across the country, and not exactly what was modeled by Siemens. Siemens used the FERC 715 for 2018 year, as did

the NYISO. However, across the country the N-1 criteria is the standard, where one bad event such as a tree falling on the best north-south line for us, occurs. There is then assumed to be a

short

period for "re-dispatch" or shutting down generators north of the

failure, and cranking up those not going full blast south of the failure, in this case. Then a second disaster can be put in, for "N-1-1" with this re-dispatch in place. This N-1-1 is not a "go, no

go" normally, but obviously considered a rare occurrence, yet a way

of dealing with it needs to be identified. Here it is implied that

the N-1-1 contingency has become the criteria to screen the projects.

This automatically favors the traditional all new transmission line

and ROW. This screening technique uses a very special case, with some

other assumptions on the dispatch of generation that were not made

fully known to all participants in the two page guidance given out in

the Judge Prestemon's technical conference in November, and it actually strongly favors completely new lines. When you fix an existing line and make it much better, at less expense and damage as

Boundless Energy did, the way this was done the N-1 takes out not

only the new Boundless line from Leeds to Kingston, it takes out the

existing  $345~\mathrm{kV}$  that was already there and replaced by Boundless - a

double whammy. It is a peculiar way to do a screening that strongly

favors a completely new line, which may not really be needed. On top

of all this, with the NYTransco project by National Grid, the NYTSO

somehow assumed that their new project would not be one of the best

routes, as Boundless would, so they did not take it out as on N-1-1.

So on the second test, Grid and the local utilities become automatically the winner of a comparison using this peculiar screening technique. On the first cut, N-1 alone, the dispatch of the

generators they chose cause one of the many Next Era solutions to do

best, although it still flunks N-1 for 1,000 MW(!).

This screening technique has little to do with the real world or the

standard way of checking projects in their interconnection studies

required for final approval. In the real requirements that FERC will

find approval with, the N-1 contingency must be met, and the N-1-1  $\,$ 

checked. Everyone of the four projects failed the way the NYISO did

their N-1. So all must be changed in some way to meet the real requirement they will have to meet. This screening technique needs to

be challenged by the public - it automatically takes out any dramatically superior solution as the first N-1, ensuring that such

projects will always be scored lower and gradual mediocrity be the

required way of improving the expensive system we have inherited.

This makes no sense. But for now, since it is now clear what they are

doing, Boundless Energy can add some additional improvements and still be far superior and still cheapest, building on our originally

superior solution, even under this strange screening technique.

Siemens was so upset that they have been working all weekend almost

around the clock, first to figure out what the NYISO actually did to

come up with these results so different from what they had modeled

using standard approach to the 715 FERC Case for 2018, and now, with

the help of Boundless Energy's John Tompkins, how to fix it using our

modern techniques and staying in the ROW's using the best available

technology. Boundless Energy has already identified three ways

augmenting our solution, which can greatly improve the overall  $\ensuremath{\mathsf{system}}$ 

and still remain the least expensive with no extra right of way or

new towers. Siemens is working on these in Syracuse, and will soon be

issuing a paper that will first explain the shocking results of the

NYISO "screening" and secondly, if this technique is allowed to remain in effect for this proceeding, that Boundless Energy will still meet it better than anyone else, building on the basic project

which is still the real world cheapest, fastest and less damaging

solution. The public will have to pay for the extra fix, but Boundless Energy will make it as valuable to the overall system

as possible, with the least disruption as possible.

Lastly, I strongly urge the NYS Public Service Commission to strongly question the NYISO screening "technique", and how it favors

the status-quo solutions of new lines and right of ways-- we should

not be doing this any more until modern techniques as is proposed

here have first been checked out as the best solution, least disruptive and least expensive. The present approach favors large

utility traditional rate base solutions and makes modern equipment

and innovation at a disadvantage. The NYS Public Service Commission

must demand that, since every proposal failed the N-1, (National Grid

failed the worst) under this strange protocol, Boundless Energy

be allowed to submit improvements, if the PSC chooses to go forward

with this way of screening.

As our friends from Hudson Valley Concerned Citizens note (see <a href="http://www.hudsonvalley-cc.org/">http://www.hudsonvalley-cc.org/</a>; also see <a href="http://www.nomonsterpowerlines.com/">http://www.nomonsterpowerlines.com/</a> and <a href="http://www.clintonunited.org/">http://www.clintonunited.org/</a>):

"Many new transmission lines projects are proposed for the Hudson

Valley to allow upstate surplus electricity to be sent down state to

New York City and Long Island. These transmission lines will

blight

the Hudson Valley for centuries to come. We must act now, and demand

that new lines are placed UNDERGROUND or are installed on existing

towers, setting the precedent for decades to come, preserving the

beauty and health of the Hudson Valley, and meet the needs of New

York City. Underground cables will greatly increase the reliability

and security of electric service to New York City. For some additional cost now we gain exemplary protection from ice storms,

hurricanes like Sandy, terrorist attacks and the extraordinary future

savings of maintenance and emergency repairs.

The Response to Governor Cuomo's Energy Highway Initiative - to supply New York City with much needed and lower cost electricity and

to possibly reverse the impending \$340 Million/yr FERC Capacity Zone

Rate hike in the Hudson Valley/NYC region - has produced four proposals to build a major new transmission line.

ONLY ONE of the four projects could be rapidly permitted, and quickly

built with few or no intervenors, requiring less than 50 miles of new

work to solve the problem - proving to NYSIO and FERC that the rate

hike is not needed ( see Senator Chuck Schumer's letter to FERC Chairman Jon Wellinghoff below)

Three would use traditional overhead lines that require new taller

'monster' towers and new land for right of way (ROW) incurring extravagant costs over hundreds of miles of congested ROW. These three proposals would be fought by all those Residents through whose

property they must pass and whose property would be taken by Eminent

Domain. Extending the period of Crippling Property values - which is

already well underway - for many more years.

The fourth, from a group of non-traditional utility engineers, uses

undergrounding and high tech cable to remain less expensive and avoid

new towers or land taking, and becomes nearly storm proof - but presently has no political patron.

By using undergrounding in this project, they establish a precedent

for all future transmission line projects in the State of New York.

But political recognition and apparent support may well have arrived

indirectly from the highest level, from our Governor in his State of

the State plan published January 8, where he explicitly recognized

the advantages of the 4th approach, and called for exactly this type

of solution:

"To help achieve the balance between providing for the state's electric needs and preserving the local community's quality of life,

the State will expedite projects that would be built wholly within

existing transmission corridors (i.e., projects that do not result in

higher or wider transmission corridors) or buried along existing State-owned rights of way such as waterways and highways . . . This

approach does not change the standard review and input process for

any project that would require a wider right of way "envelope," taller towers or other expanded transmission corridors."

P. 63 "Building on Success" 2014 State of the State - Gov. Andrew Cuomo

Only one project now meets these goals in the published plans. It

does not use the usual new towers or overhead lines, stays completely

in existing right of ways, and drills under the Hudson without bottom

disturbance. The Governor has clearly recognized its advantages

and

responded to the public's pleas.

We must work together across the Hudson Valley Region and New York

City to let the Governor know that we appreciate his response and we

take him at his word. His plan has a quiet disciple: Boundless Energy

(<a href="http://www.leedspathwest.com/interactive-map">http://www.leedspathwest.com/interactive-map</a>) the small group of

innovative Engineers who designed the underwater/underground Neptune

line that was built in 2007 for \$660 M and now carries 20% of all of

Long Island's power - safe under the sea bottom and never touched by Sandy!

We need to carry the message to the Governor that for now, we recognize that only the Boundless project is marching to his drumbeat, with 21st Century solutions!

THIS IS WHAT THE PEOPLE OF NEW YORK STATE WANT FROM THEIR LEADERSHIP

IN NEW TRANSMISSION PROJECTS"

Crucial -- Boundless Energy's solution is the only one that could be

completed in time to avoid the deadly "new capacity zone" tenpercent

electricity rate hike proposed by FERC/NYISO-- and I know you don't

want that to happen.

So please-- reject the other three proposals (along with NYISO's latest "screening")-- and select Boundless Energy's proposal-- without further delay!

Thank you for your attention to this matter.

Yours,

Joel Tyner
Dutchess County Legislator
Clinton/Rhinebeck
http://www.dutchessdemocracy.blogspot.com/

p.s. Josh Fox, Mark Ruffalo, Mark Jacobson/Stanford, and Anthony Ingraffea/Robert Howarth/Cornell are right-- locally generated, renewable power is truly the solution of solutions-- see <a href="http://www.thesolutionsproject.org/">http://www.thesolutionsproject.org/</a>-- sooner or later we're going to

have to embrace this type of a win-win-win, green-jobs, cost-saving,

clean-air, 100% fossil-fuel-free vision for NYS!

A copy of Schumer's letter to FERC Chariman Jon Wellinghoff is below:

Dear Chairman Wellinghoff,

I write to urge the Federal Regulatory Commission (FERC) to delay the

New York Independent System Operator's (NYISO) proposed tariff revisions to establish a new capacity zone (NCZ) until at least 2017.

As it stands, the NYISO plans to implement the NCS by May 1, 2014 to

coincide with the start of the 2014/2015 capability year. Though the

stated purpose of this NCZ is to increase electricity prices as

means to attract more investment in power generation to address reliability constraints in the region, the capacity zone does not

account for new transmission initiatives underway that form part of

New York State's Energy Highway Blueprint that will address the deliverability constraint identified by NYISO. The State of New York's plan to build major transmission facilities by the summer of

2016 will have a material impact on bulk power capacity in the corridor has identified as congested and will eliminate the need for

price increases for ratepayers that may be upwards of \$350 million

per year.

FOR IMMEDIATE RELEASE: November 7, 2013

SCHUMER: FERC PLAN FOR REZONING HUDSON VALLEY POWER GRID WOULD UNFAIRLY HIKE RATES BEFORE IN- PROGRESS TRANSMISSION UPGRADES ARE

FINISHED - SENATOR URGES FERC TO DELAY NEW ZONE AND RESULTING RATE

HIKES UNTIL THREE ENERGY HIGHWAY INITIATIVES ARE COMPLETED

NYS "Energy Highway" Initiatives, Due For Completion In 2016, May

Alleviate Power Constraints on Hudson Valley- Schumer joins PSC and

Others to Urge Fed. Energy Regulation Commission to Delay New 'Capacity Zone' until Upgrades Can Be Quantified and Assessed

FERC's Proposed New Zone Would Raise Prices Between 6 and 15% for

Ratepayers in the Hudson Valley, Cost Over \$350 Million Annually

Schumer to FERC: Changing the Power Grid Now is Jumping the Gun

Wait for Transmission Upgrades to Be Completed Before Making Any Zoning Changes

Today, U.S. Senator Charles E. Schumer urged the Federal Energy Regulatory Commission (FERC) to delay their order to implement a new

capacity zone that covers a significant portion of the Hudson Valley

power grid - a move which could result in a rate increase of between

6 and 15 percent for Hudson Valley ratepayers, or over \$350 million

annually - until they can assess the impact of in-progress transmission upgrades. FERC and the New York State Independent System

Operator (NYSIO), which operates the state power grid, have proposed

a new capacity zone in the grid which includes Orange, Ulster, Rockland, and Sullivan Counties in an attempt to alleviate power constraints in the area by increasing prices to attract new power

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without new towers or taking new right-of-way in Clinton, Milan, Pleasant Valley, and Columbia County.

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double whammy. It is a peculiar way to do a screening that strongly

favors a completely new line, which may not really be needed. On top

of all this, with the NYTransco project by National Grid, the NYISO

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Lastly, I strongly urge the NYS Public Service Commission to strongly question the NYISO screening "technique", and how it favors

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As our friends from Hudson Valley Concerned Citizens note (see

http://www.hudsonvalley-cc.org/; also see

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Rate hike in the Hudson Valley/NYC region - has produced four proposals to build a major new transmission line.

ONLY ONE of the four projects could be rapidly permitted, and quickly

built with few or no intervenors, requiring less than 50 miles of new

work to solve the problem - proving to NYSIO and FERC that the

hike is not needed ( see Senator Chuck Schumer's letter to FERC Chairman Jon Wellinghoff below)

Three would use traditional overhead lines that require new taller

'monster' towers and new land for right of way (ROW) incurring extravagant costs over hundreds of miles of congested ROW. These three proposals would be fought by all those Residents through whose

property they must pass and whose property would be taken by Eminent

Domain. Extending the period of Crippling Property values - which is

already well underway - for many more years.

The fourth, from a group of non-traditional utility engineers, uses

undergrounding and high tech cable to remain less expensive and avoid

new towers or land taking, and becomes nearly storm proof - but presently has no political patron.

By using undergrounding in this project, they establish a precedent

for all future transmission line projects in the State of New York.

But political recognition and apparent support may well have arrived

indirectly from the highest level, from our Governor in his State of

the State plan published January 8, where he explicitly recognized

the advantages of the 4th approach, and called for exactly this type

of solution:

"To help achieve the balance between providing for the state's electric needs and preserving the local community's quality of life.

the State will expedite projects that would be built wholly within

existing transmission corridors (i.e., projects that do not result in

higher or wider transmission corridors) or buried along existing State-owned rights of way such as waterways and highways . . . This

approach does not change the standard review and input process for

any project that would require a wider right of way "envelope," taller towers or other expanded transmission corridors."

P. 63 "Building on Success" 2014 State of the State - Gov. Andrew Cuomo

Only one project now meets these goals in the published plans. It

does not use the usual new towers or overhead lines, stays completely

in existing right of ways, and drills under the Hudson without bottom

disturbance. The Governor has clearly recognized its advantages and

responded to the public's pleas.

We must work together across the Hudson Valley Region and New York

City to let the Governor know that we appreciate his response and we

take him at his word. His plan has a quiet disciple: Boundless Energy

(<a href="http://www.leedspathwest.com/interactive-map">http://www.leedspathwest.com/interactive-map</a>) the small group of

innovative Engineers who designed the underwater/underground Neptune

line that was built in 2007 for \$660 M and now carries 20% of all of

Long Island's power - safe under the sea bottom and never touched by Sandy!

We need to carry the message to the Governor that for now, we recognize that only the Boundless project is marching to his drumbeat, with 21st Century solutions!

THIS IS WHAT THE PEOPLE OF NEW YORK STATE WANT FROM THEIR LEADERSHIP

IN NEW TRANSMISSION PROJECTS"

Crucial -- Boundless Energy's solution is the only one that could be

completed in time to avoid the deadly "new capacity zone" tenpercent

electricity rate hike proposed by FERC/NYISO-- and I know you don't

want that to happen.

So please-- reject the other three proposals (along with NYISO's latest "screening")-- and select Boundless Energy's proposal--

without further delay!

Thank you for your attention to this matter.

Yours,

Joel Tyner
Dutchess County Legislator
Clinton/Rhinebeck
<a href="http://www.dutchessdemocracy.blogspot.com/">http://www.dutchessdemocracy.blogspot.com/</a>
845-453-2105

p.s. Josh Fox, Mark Ruffalo, Mark Jacobson/Stanford, and Anthony Ingraffea/Robert Howarth/Cornell are right-- locally generated, renewable power is truly the solution of solutions-- see <a href="http://www.thesolutionsproject.org/">http://www.thesolutionsproject.org/</a>-- sooner or later we're going to

have to embrace this type of a win-win-win, green-jobs, cost-saving,

clean-air, 100% fossil-fuel-free vision for NYS!

A copy of Schumer's letter to FERC Chariman Jon Wellinghoff is below:

Dear Chairman Wellinghoff,

I write to urge the Federal Regulatory Commission (FERC) to delay the

New York Independent System Operator's (NYISO) proposed tariff revisions to establish a new capacity zone (NCZ) until at least 2017.

As it stands, the NYISO plans to implement the NCS by May 1, 2014 to

coincide with the start of the 2014/2015 capability year. Though the

stated purpose of this NCZ is to increase electricity prices as

means to attract more investment in power generation to address reliability constraints in the region, the capacity zone does not

account for new transmission initiatives underway that form part of

New York State's Energy Highway Blueprint that will address the deliverability constraint identified by NYISO. The State of New

York's plan to build major transmission facilities by the summer of

2016 will have a material impact on bulk power capacity in the corridor has identified as congested and will eliminate the need for

price increases for ratepayers that may be upwards of \$350  $\,$  million

per year.

FOR IMMEDIATE RELEASE: November 7, 2013

SCHUMER: FERC PLAN FOR REZONING HUDSON VALLEY POWER GRID WOULD UNFAIRLY HIKE RATES BEFORE IN- PROGRESS TRANSMISSION UPGRADES ARE

FINISHED - SENATOR URGES FERC TO DELAY NEW ZONE AND RESULTING RATE

HIKES UNTIL THREE ENERGY HIGHWAY INITIATIVES ARE COMPLETED

NYS "Energy Highway" Initiatives, Due For Completion In 2016, May

Alleviate Power Constraints on Hudson Valley- Schumer joins PSC and

Others to Urge Fed. Energy Regulation Commission to Delay New 'Capacity Zone' until Upgrades Can Be Quantified and Assessed

FERC's Proposed New Zone Would Raise Prices Between 6 and 15% for

Ratepayers in the Hudson Valley, Cost Over \$350 Million Annually

Schumer to FERC: Changing the Power Grid Now is Jumping the Gun

Wait for Transmission Upgrades to Be Completed Before Making Any Zoning Changes

Today, U.S. Senator Charles E. Schumer urged the Federal Energy Regulatory Commission (FERC) to delay their order to implement a new

capacity zone that covers a significant portion of the Hudson Valley

power grid - a move which could result in a rate increase of between

6 and 15 percent for Hudson Valley ratepayers, or over \$350 million

annually - until they can assess the impact of in-progress transmission upgrades. FERC and the New York State Independent

System

Operator (NYSIO), which operates the state power grid, have proposed

a new capacity zone in the grid which includes Orange, Ulster, Rockland, and Sullivan Counties in an attempt to alleviate power constraints in the area by increasing prices to attract new power

generation capacity.

Schumer today joined the NYS Public Service Commission (PSC) and the

New York Power Authority (NYPA), among others, to call for a delay in

the new zone until transmission upgrades recently approved as part of

New York State's Energy Highway Project could be realized and assessed. Schumer explained that transmission projects approved by

the PSC are set to be completed in 2016, and are projected to create

upwards of 600 megawatts of power by moving energy more efficiently

to the Hudson Valley and New York City. Schumer said that FERC's new

zone would preliminarily jack-up the prices for ratepayers in advance

of the completion of these projects that will help relieve the initial problem, and perhaps eliminate the need for a new zone.

"While we need to find better and more creative ways to alleviate the

power constraints on the Hudson Valley and New York City, FERC's proposal for a new zone is jumping the gun - it would increase the

burden on ratepayers before other efforts to solve the problem can be

completed," said Schumer. "That's why I'm asking FERC to delay their

implementation of a new capacity zone until at least 2017, when we

can properly assess the impact of in-progress transmission upgrades.

These upgrades may lead us to a solution that doesn't include a proposal that would, in the short-term, line the pockets of existing

power generators without a substantive increase in power
generation."

The FERC and NYISO order would create a new capacity zone in the power grid that stretches from New York City to Albany in an attempt

to alleviate a transmission bottleneck. Currently, there is a surplus

of cheaper power generated Upstate that does not reach energy-needy

areas in the Hudson Valley and New York City in an efficient manner.

The new zone is designed to increase electricity prices to attract

new power plants to the region; estimates by the New York Dept. of

Public Service (NYDPS) put the annual increase of cost at \$350 million. Orange and Rockland Utilities customers may face a 6 to 10%

increase in prices, residents in Central Hudson's area could see a

10% increase, and large industrial ratepayers could see as much as a

15% increase in energy prices. Schumer noted that although he supported finding new energy sources for Hudson Valley residents, he

does not support doing so on the backs of ratepayers if, as in this

case, other options exist to deliver the needed power more efficiently and cheaply. Schumer expressed concern these large rate

hikes could have on small businesses and employers throughout the

Hudson Valley. For many companies, such a large spike in energy costs

could decrease job creation and expansion efforts at a time when the

local economy is on the track for economic growth.

Furthermore, he pointed out that transmission upgrades proposed by

the New York State Energy Highway program, which are approved by the

PSC and set to go online in 2016, are specifically designed to deliver power around the bottleneck to Hudson Valley customers. One

such project is an \$11 million investment in transmission upgrades

running from Central Hudson's Rock Tavern substation to Con

Edison's

Ramapo substation in Rockland County. Schumer explained that it made

no sense to jack-up the rates on residents now, before such efforts

could be completed.

Schumer argued that the current proposal would undermine statewide

efforts to increase the efficiency of transmission and delivery systems, and unfairly hike rates before any new power generation could be achieved. Schumer said that, at the very least, in the event

the new zone moves forward, rate hikes should be delayed or phased-in. As it stands, Hudson Valley consumers would see skyrocketing rates even before prospective energy developers could

move-in and help increase power generation.

The new capacity zone is set to take effect in May of 2014, and Schumer is seeking a delay until 2017 at minimum, or until the transmission upgrades from the Energy Highway initiatives can be properly assessed.

## REUTERS:

http://www.reuters.com/article/2013/09/26/utilities-newyork-ferc-idUSL2N0HM14K20130926

New York seeks delay of costly FERC power capacity zone decision Sept 26 Thu Sep 26, 2013 12:23pm EDT

(Reuters) - New York utility regulators and some of the state's power

companies asked federal energy regulators to reverse a recent decision that the New York parties say could increase electric bills

in the Lower Hudson Valley by \$350 million a year.

The New York State Public Service Commission (PSC) and the state-owned New York Power Authority (NYPA) said in a press release

on Wednesday that the proposed new capacity zone in the Lower Hudson

Valley could result in the construction of unnecessary new power

projects.

The PSC, NYPA and other New York utilities asked the U.S. Federal

Energy Regulatory Commission (FERC) to reconsider its August decision

allowing the state's power grid operator, the New York Independent

System Operator (NYISO), to create a new capacity zone in the Lower

Hudson Valley that includes New York City.

The NYISO has said it designed the new capacity zone to maintain system reliability and attract investments in new and existing generation and demand response resources.

In basic terms, capacity markets pay generators to help keep existing

power plants in service and build new units in order to maintain system reliability. Demand response providers who agree to reduce

power usage when needed can also participate in capacity markets.

The new zone will include the current NYISO zones G, H and I in the

Lower Hudson Valley and zone J in New York City.

The PSC and NYPA said the state is already working on New York Governor Andrew Cuomo's so-called Energy Highway initiative to expand

the state's transmission resources to bring more power from upstate

New York to the Lower Hudson Valley and New York City area.

The PSC and NYPA said the Energy Highway could negate the need for

FERC to offer financial incentives to build more power plants downstate.

"We strongly urged FERC to reconsider its decision to create a new

capacity zone in New York, which it says is needed to build more power plants downstate to alleviate demand for electricity," PSC Chairwoman Audrey Zibelman said in the release.

"We are well aware of the downstate demand for

electricity... However,

in its decision, FERC did not take into consideration the ongoing

initiatives included in the Governor's Energy Highway," Zibelman said.

The biggest power companies in New York include units of Consolidated

Edison Inc, National Grid Plc, Iberdrola SA, Entergy Corp, TransCanada Corp and NRG Energy Inc.

#### COSTS TO RISE

The PSC said if FERC's plan goes into effect, typical residential

customers in the Lower Hudson Valley could see monthly bill increases

ranging from 5 percent to almost 10 percent, depending on the utility. The increases for industrial and commercial customers could

be even higher, the PSC said.

"Creation of a permanent new capacity zone undermines the Governor's

Energy Highway initiatives," Gil Quiniones, NYPA president and chief

executive, said in the release.

"The Energy Highway pursues a long-term solution to deliver lower-cost, upstate power to the downstate area by reinforcing the

transmission system, Quiniones said, noting the new capacity zone

will "take money out of the pockets of ratepayers and result in

windfall of profits for existing power plant owners in the region."

The NYISO plans to implement the new zone by May 1, 2014. The PSC is

asking FERC to delay implementing its decision until 2017 and consider how the Energy Highway proposals will affect long-term power

prices.

"Without such analysis, FERC cannot properly assess whether it is

causing more harm than good, and whether consumers might end up paying hundreds of millions of dollars for unneeded power plants,"

the PSC and NYPA said.

Governor Cuomo proposed the Energy Highway initiative in January 2012

to rebuild the state's power system by adding up to 3,200 megawatts

(MW) of generation and transmission capacity and clean power.

One megawatt can power about 1,000 New York homes. To: secretary@dps.ny.gov

Subject: Honorable Kathleen Burgess, NYS Public Service Commission

Secretary-- message from Dutchess County Legislator Joel Tyner...

Date: Feb 19, 2014 4:37 PM

Hon. Kathleen H. Burgess Secretary New York State Public Service Commission Empire State Plaza Agency Building 3 Albany, New York 12233-1350

[Re: Case 13-E-0488-- In the Matter of Alternating Current Transmission Upgrades-- Comparative Proceeding]

Dear Ms. Burgess:

I was disturbed to learn recently of the New York "Independent" System Operator's skewed analysis of Boundless Energy's proposal, and

I urge you to reject the NYISO analysis.

I've held literally fifteen public forums on this issue at Clinton

Town Hall since early September, and both GOP Clinton Town Supervisor

Ray Oberly, myself, and 500+ signed on to

http://www.hudsonvalley-cc.org/petition in support of the Boundless

Energy proposal -- as it is by far the least intrusive and least expensive of the four proposals now before the PSC, using the most

cutting-edge, state-of-the-art technology-- compared with much

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We must work together across the Hudson Valley Region and New York

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(<a href="http://www.leedspathwest.com/interactive-map">http://www.leedspathwest.com/interactive-map</a>) the small group

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Crucial -- Boundless Energy's solution is the only one that could be

completed in time to avoid the deadly "new capacity zone" tenpercent

electricity rate hike proposed by FERC/NYISO-- and I know you don't

want that to happen.

So please-- reject the other three proposals (along with NYISO's latest "screening")-- and select Boundless Energy's proposal-- without further delay!

Thank you for your attention to this matter.

Yours,

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p.s. Josh Fox, Mark Ruffalo, Mark Jacobson/Stanford, and Anthony Ingraffea/Robert Howarth/Cornell are right-- locally generated, renewable power is truly the solution of solutions-- see <a href="http://www.thesolutionsproject.org/">http://www.thesolutionsproject.org/</a>-- sooner or later we're going to

have to embrace this type of a win-win, green-jobs, cost-saving,

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A copy of Schumer's letter to FERC Chariman Jon Wellinghoff is below:

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stated purpose of this NCZ is to increase electricity prices as

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FOR IMMEDIATE RELEASE: November 7, 2013

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Schumer to FERC: Changing the Power Grid Now is Jumping the Gun

Wait for Transmission Upgrades to Be Completed Before Making Any Zoning Changes

Today, U.S. Senator Charles E. Schumer urged the Federal Energy

Regulatory Commission (FERC) to delay their order to implement a new

capacity zone that covers a significant portion of the Hudson Valley

power grid - a move which could result in a rate increase of between

6 and 15 percent for Hudson Valley ratepayers, or over \$350 million

annually - until they can assess the impact of in-progress transmission upgrades. FERC and the New York State Independent System

Operator (NYSIO), which operates the state power grid, have proposed

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the new zone until transmission upgrades recently approved as part of

New York State's Energy Highway Project could be realized and assessed. Schumer explained that transmission projects approved by

the PSC are set to be completed in 2016, and are projected to create

upwards of 600 megawatts of power by moving energy more efficiently

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of the completion of these projects that will help relieve the initial problem, and perhaps eliminate the need for a new zone.

"While we need to find better and more creative ways to alleviate the

power constraints on the Hudson Valley and New York City, FERC's proposal for a new zone is jumping the gun - it would increase the

burden on ratepayers before other efforts to solve the problem can be

completed," said Schumer. "That's why I'm asking FERC to delay

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These upgrades may lead us to a solution that doesn't include a proposal that would, in the short-term, line the pockets of existing

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The FERC and NYISO order would create a new capacity zone in the power grid that stretches from New York City to Albany in an attempt

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The new zone is designed to increase electricity prices to attract

new power plants to the region; estimates by the New York Dept. of

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increase in prices, residents in Central Hudson's area could see a

10% increase, and large industrial ratepayers could see as much as a

15% increase in energy prices. Schumer noted that although he supported finding new energy sources for Hudson Valley residents, he

does not support doing so on the backs of ratepayers if, as in this

case, other options exist to deliver the needed power more efficiently and cheaply. Schumer expressed concern these large rate

hikes could have on small businesses and employers throughout the

Hudson Valley. For many companies, such a large spike in energy

could decrease job creation and expansion efforts at a time when the

local economy is on the track for economic growth.

Furthermore, he pointed out that transmission upgrades proposed by

the New York State Energy Highway program, which are approved by the

PSC and set to go online in 2016, are specifically designed to deliver power around the bottleneck to Hudson Valley customers. One

such project is an \$11 million investment in transmission upgrades

running from Central Hudson's Rock Tavern substation to Con Edison's

Ramapo substation in Rockland County. Schumer explained that it made

no sense to jack-up the rates on residents now, before such efforts could be completed.

Schumer argued that the current proposal would undermine statewide

efforts to increase the efficiency of transmission and delivery systems, and unfairly hike rates before any new power generation could be achieved. Schumer said that, at the very least, in the event

the new zone moves forward, rate hikes should be delayed or phased-in. As it stands, Hudson Valley consumers would see skyrocketing rates even before prospective energy developers could

move-in and help increase power generation.

The new capacity zone is set to take effect in May of 2014, and Schumer is seeking a delay until 2017 at minimum, or until the transmission upgrades from the Energy Highway initiatives can be properly assessed.

#### REUTERS:

http://www.reuters.com/article/2013/09/26/utilities-newyorkferc-idUSL2N0HM14K20130926

New York seeks delay of costly FERC power capacity zone decision Sept 26 Thu Sep 26, 2013 12:23pm EDT

(Reuters) - New York utility regulators and some of the state's power

companies asked federal energy regulators to reverse a recent

decision that the New York parties say could increase electric bills

in the Lower Hudson Valley by \$350 million a year.

The New York State Public Service Commission (PSC) and the state-owned New York Power Authority (NYPA) said in a press release

on Wednesday that the proposed new capacity zone in the Lower Hudson

Valley could result in the construction of unnecessary new power projects.

The PSC, NYPA and other New York utilities asked the U.S. Federal

Energy Regulatory Commission (FERC) to reconsider its August decision

allowing the state's power grid operator, the New York Independent

System Operator (NYISO), to create a new capacity zone in the Lower

Hudson Valley that includes New York City.

The NYISO has said it designed the new capacity zone to maintain system reliability and attract investments in new and existing generation and demand response resources.

In basic terms, capacity markets pay generators to help keep existing

power plants in service and build new units in order to maintain system reliability. Demand response providers who agree to reduce

power usage when needed can also participate in capacity markets.

The new zone will include the current NYISO zones G, H and I in the

Lower Hudson Valley and zone J in New York City.

The PSC and NYPA said the state is already working on New York Governor Andrew Cuomo's so-called Energy Highway initiative to expand

the state's transmission resources to bring more power from upstate

New York to the Lower Hudson Valley and New York City area.

The PSC and NYPA said the Energy Highway could negate the need for

FERC to offer financial incentives to build more power plants downstate.

"We strongly urged FERC to reconsider its decision to create a new

capacity zone in New York, which it says is needed to build more power plants downstate to alleviate demand for electricity," PSC Chairwoman Audrey Zibelman said in the release.

"We are well aware of the downstate demand for electricity... However,

in its decision, FERC did not take into consideration the ongoing

initiatives included in the Governor's Energy Highway," Zibelman said.

The biggest power companies in New York include units of Consolidated

Edison Inc, National Grid Plc, Iberdrola SA, Entergy Corp, TransCanada Corp and NRG Energy Inc.

### COSTS TO RISE

The PSC said if FERC's plan goes into effect, typical residential

customers in the Lower Hudson Valley could see monthly bill increases

ranging from 5 percent to almost 10 percent, depending on the utility. The increases for industrial and commercial customers could

be even higher, the PSC said.

"Creation of a permanent new capacity zone undermines the Governor's

Energy Highway initiatives," Gil Quiniones, NYPA president and chief

executive, said in the release.

"The Energy Highway pursues a long-term solution to deliver lower-cost, upstate power to the downstate area by reinforcing the

transmission system, Quiniones said, noting the new capacity

will "take money out of the pockets of ratepayers and result in a

windfall of profits for existing power plant owners in the region."

The NYISO plans to implement the new zone by May 1, 2014. The PSC is

asking FERC to delay implementing its decision until 2017 and consider how the Energy Highway proposals will affect long-term power prices.

"Without such analysis, FERC cannot properly assess whether it

causing more harm than good, and whether consumers might end up paying hundreds of millions of dollars for unneeded power plants,"

the PSC and NYPA said.

Governor Cuomo proposed the Energy Highway initiative in January 2012

to rebuild the state's power system by adding up to 3,200 megawatts

(MW) of generation and transmission capacity and clean power.

One megawatt can power about 1,000 New York homes. To: secretary@dps.ny.gov

Subject: Honorable Kathleen Burgess, NYS Public Service Commission

Secretary-- message from Dutchess County Legislator Joel Tyner...

Date: Feb 19, 2014 4:37 PM

Hon. Kathleen H. Burgess Secretary New York State Public Service Commission Empire State Plaza Agency Building 3 Albany, New York 12233-1350

[Re: Case 13-E-0488-- In the Matter of Alternating Current Transmission Upgrades-- Comparative Proceeding]

Dear Ms. Burgess:

I was disturbed to learn recently of the New York "Independent" System Operator's skewed analysis of Boundless Energy's proposal, and

I urge you to reject the NYISO analysis.

I've held literally fifteen public forums on this issue at

Clinton

Town Hall since early September, and both GOP Clinton Town Supervisor

Ray Oberly, myself, and 500+ signed on to

http://www.hudsonvalley-cc.org/petition in support of the Boundless

Energy proposal -- as it is by far the least intrusive and least expensive of the four proposals now before the PSC, using the most

cutting-edge, state-of-the-art technology-- compared with much more

intrusive and costly proposals from NYTransco (Central Hudson/National Grid), NextEra, and North American Transmission Corp).

Unlike the other three proposals that would literally destroy our

communities, Boundless Energy's common-sense, engineer-driven solution solves the electricity/congestion bottleneck in our region

without new towers or taking new right-of-way in Clinton, Milan, Pleasant Valley, and Columbia County.

It is my understanding that a screening of the four proposals was

requested by NYSPSC Administrative Law Judge David Prestemon on Oct.

23rd last year. It was supposed to certify that all the proposals had

at least 1,000 MW transfer north to south, and, if possible, assign a

benefit-to-cost ratio to each project. It is not without significance that the NYISO is supported by the existing utilities

and is actually paid through a fund collected by them. They have

relationship with people who work as closely with the NYISO as possible. The NYISO also asked the utilities (originally Niagara Mohawk, now National Grid) to do the obvious fix for the long existing and increasingly expensive "congestion" between Leeds and

Pleasant Valley: put one more double 345 kV down the existing corridor. National Grid could not get a positive benefit-to-cost ratio the way they figured on doing it, and taking the new land and

higher towers required, so they dragged their feet. The problem became the centerpiece, after trying to close Indian Point, for

the

Governor's Energy Highway. The NYISO expected solution was the utilities' same-old, same-old solution for the last decade (as opposed to Boundless Energy's innovative proposal) -- NYISO wants an

entirely new line to "fix" it. Boundless Energy instead came up with

an innovative, modern solution using the carbon-fiber wire and undergrounding for a short distance to go around the problem using

mostly existing equipment and all in existing right of way. It is far

cheaper, faster, and less environmentally intrusive, the real, common-sense criteria for selecting the best solution for the system

and the public, but this is somewhat disruptive to the traditional

way of doing business in the utility world at this point. It will

become, we believe, standard in the future. Please don't let the status quo win out here.

Furthermore, the screening technique used by the NYISO is not the one

generally applied across the country, and not exactly what was modeled by Siemens. Siemens used the FERC 715 for 2018 year, as did

the NYISO. However, across the country the N-1 criteria is the standard, where one bad event such as a tree falling on the best north-south line for us, occurs. There is then assumed to be a short

period for "re-dispatch" or shutting down generators north of the

failure, and cranking up those not going full blast south of the failure, in this case. Then a second disaster can be put in, for "N-1-1" with this re-dispatch in place. This N-1-1 is not a "go, no

go" normally, but obviously considered a rare occurrence, yet a way

of dealing with it needs to be identified. Here it is implied that

the N-1-1 contingency has become the criteria to screen the projects.

This automatically favors the traditional all new transmission line

and ROW. This screening technique uses a very special case, with some

other assumptions on the dispatch of generation that were not made

fully known to all participants in the two page guidance given out in

the Judge Prestemon's technical conference in November, and it actually strongly favors completely new lines. When you fix an existing line and make it much better, at less expense and damage as

Boundless Energy did, the way this was done the N-1 takes out not

only the new Boundless line from Leeds to Kingston, it takes out the

existing 345 kV that was already there and replaced by Boundless - a

double whammy. It is a peculiar way to do a screening that strongly

favors a completely new line, which may not really be needed. On top

of all this, with the NYTransco project by National Grid, the NYISO

somehow assumed that their new project would not be one of the best.

routes, as Boundless would, so they did not take it out as on N-1-1.

So on the second test, Grid and the local utilities become automatically the winner of a comparison using this peculiar screening technique. On the first cut, N-1 alone, the dispatch of the

generators they chose cause one of the many Next Era solutions to do

best, although it still flunks N-1 for 1,000 MW(!).

This screening technique has little to do with the real world or the

standard way of checking projects in their interconnection studies

required for final approval. In the real requirements that FERC will

find approval with, the N-1 contingency must be met, and the N-1-1  $\,$ 

checked. Everyone of the four projects failed the way the NYISO did

their N-1. So all must be changed in some way to meet the real requirement they will have to meet. This screening technique needs to

be challenged by the public - it automatically takes out any dramatically superior solution as the first N-1, ensuring that

such

projects will always be scored lower and gradual mediocrity be the

required way of improving the expensive system we have inherited.

This makes no sense. But for now, since it is now clear what they are

doing, Boundless Energy can add some additional improvements and still be far superior and still cheapest, building on our originally

superior solution, even under this strange screening technique.

Siemens was so upset that they have been working all weekend almost

around the clock, first to figure out what the NYISO actually did to

come up with these results so different from what they had modeled

using standard approach to the 715 FERC Case for 2018, and now, with

the help of Boundless Energy's John Tompkins, how to fix it using our

modern techniques and staying in the ROW's using the best available

technology. Boundless Energy has already identified three ways of

augmenting oursolution, which can greatly improve the overall system

and still remain the least expensive with no extra right of way or

new towers. Siemens is working on these in Syracuse, and will soon be

issuing a paper that will first explain the shocking results of the

NYISO "screening" and secondly, if this technique is allowed to remain in effect for this proceeding, that Boundless Energy will still meet it better than anyone else, building on the basic project

which is still the real world cheapest, fastest and less damaging

solution. The public will have to pay for the extra fix, but Boundless Energy will make it as valuable to the overall system

as possible, with the least disruption as possible.

Lastly, I strongly urge the NYS Public Service Commission to strongly question the NYISO screening "technique", and how it

favors

the status-quo solutions of new lines and right of ways-- we should

not be doing this any more until modern techniques as is proposed

here have first been checked out as the best solution, least disruptive and least expensive. The present approach favors large

utility traditional rate base solutions and makes modern equipment

and innovation at a disadvantage. The NYS Public Service Commission

must demand that, since every proposal failed the N-1, (National Grid

failed the worst) under this strange protocol, Boundless Energy must

be allowed to submit improvements, if the PSC chooses to go forward  $% \left( 1\right) =\left( 1\right) +\left( 1\right)$ 

with this way of screening.

As our friends from Hudson Valley Concerned Citizens note (see <a href="http://www.hudsonvalley-cc.org/">http://www.hudsonvalley-cc.org/</a>; also see

http://www.nomonsterpowerlines.com/and

http://www.clintonunited.org/):

"Many new transmission lines projects are proposed for the Hudson

Valley to allow upstate surplus electricity to be sent down state to

New York City and Long Island. These transmission lines will blight

the Hudson Valley for centuries to come. We must act now, and demand

that new lines are placed UNDERGROUND or are installed on existing

towers, setting the precedent for decades to come, preserving the

beauty and health of the Hudson Valley, and meet the needs of New

York City. Underground cables will greatly increase the reliability

and security of electric service to New York City. For some additional cost now we gain exemplary protection from ice storms,

hurricanes like Sandy, terrorist attacks and the extraordinary future

savings of maintenance and emergency repairs.

The Response to Governor Cuomo's Energy Highway Initiative - to supply New York City with much needed and lower cost electricity and

to possibly reverse the impending \$340 Million/yr FERC Capacity Zone

Rate hike in the Hudson Valley/NYC region - has produced four proposals to build a major new transmission line.

ONLY ONE of the four projects could be rapidly permitted, and quickly

built with few or no intervenors, requiring less than 50 miles of new

work to solve the problem - proving to NYSIO and FERC that the rate

hike is not needed ( see Senator Chuck Schumer's letter to FERC Chairman Jon Wellinghoff below)

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increase in prices, residents in Central Hudson's area could see a

10% increase, and large industrial ratepayers could see as much as a

15% increase in energy prices. Schumer noted that although he supported finding new energy sources for Hudson Valley residents, he

does not support doing so on the backs of ratepayers if, as in this

case, other options exist to deliver the needed power more

efficiently and cheaply. Schumer expressed concern these large rate

hikes could have on small businesses and employers throughout the

Hudson Valley. For many companies, such a large spike in energy costs

could decrease job creation and expansion efforts at a time when the

local economy is on the track for economic growth.

Furthermore, he pointed out that transmission upgrades proposed by

the New York State Energy Highway program, which are approved by the

PSC and set to go online in 2016, are specifically designed to deliver power around the bottleneck to Hudson Valley customers. One

such project is an \$11 million investment in transmission upgrades

running from Central Hudson's Rock Tavern substation to Con Edison's

Ramapo substation in Rockland County. Schumer explained that it made

no sense to jack-up the rates on residents now, before such efforts

could be completed.

Schumer argued that the current proposal would undermine statewide

efforts to increase the efficiency of transmission and delivery systems, and unfairly hike rates before any new power generation could be achieved. Schumer said that, at the very least, in the event

the new zone moves forward, rate hikes should be delayed or phased-in. As it stands, Hudson Valley consumers would see skyrocketing rates even before prospective energy developers could

move-in and help increase power generation.

The new capacity zone is set to take effect in May of 2014, and Schumer is seeking a delay until 2017 at minimum, or until the transmission upgrades from the Energy Highway initiatives can be properly assessed.

# REUTERS:

# http://www.reuters.com/article/2013/09/26/utilities-newyorkferc-idUSL2N0HM14K20130926

New York seeks delay of costly FERC power capacity zone decision Sept 26 Thu Sep 26, 2013 12:23pm EDT

(Reuters) - New York utility regulators and some of the state's power

companies asked federal energy regulators to reverse a recent decision that the New York parties say could increase electric bills

in the Lower Hudson Valley by \$350 million a year.

The New York State Public Service Commission (PSC) and the state-owned New York Power Authority (NYPA) said in a press release

on Wednesday that the proposed new capacity zone in the Lower Hudson

Valley could result in the construction of unnecessary new power projects.

The PSC, NYPA and other New York utilities asked the U.S. Federal

Energy Regulatory Commission (FERC) to reconsider its August decision

allowing the state's power grid operator, the New York Independent

System Operator (NYISO), to create a new capacity zone in the Lower

Hudson Valley that includes New York City.

The NYISO has said it designed the new capacity zone to maintain system reliability and attract investments in new and existing generation and demand response resources.

In basic terms, capacity markets pay generators to help keep existing

power plants in service and build new units in order to maintain system reliability. Demand response providers who agree to reduce

power usage when needed can also participate in capacity markets.

The new zone will include the current NYISO zones G, H and I in the

Lower Hudson Valley and zone J in New York City.

The PSC and NYPA said the state is already working on New York Governor Andrew Cuomo's so-called Energy Highway initiative to expand

the state's transmission resources to bring more power from upstate

New York to the Lower Hudson Valley and New York City area.

The PSC and NYPA said the Energy Highway could negate the need for

FERC to offer financial incentives to build more power plants downstate.

"We strongly urged FERC to reconsider its decision to create a new

capacity zone in New York, which it says is needed to build more power plants downstate to alleviate demand for electricity," PSC Chairwoman Audrey Zibelman said in the release.

"We are well aware of the downstate demand for electricity...However,

in its decision, FERC did not take into consideration the ongoing

initiatives included in the Governor's Energy Highway," Zibelman said.

The biggest power companies in New York include units of Consolidated

Edison Inc, National Grid Plc, Iberdrola SA, Entergy Corp, TransCanada Corp and NRG Energy Inc.

## COSTS TO RISE

The PSC said if FERC's plan goes into effect, typical residential

customers in the Lower Hudson Valley could see monthly bill increases

ranging from 5 percent to almost 10 percent, depending on the utility. The increases for industrial and commercial customers could

be even higher, the PSC said.

"Creation of a permanent new capacity zone undermines the Governor's

Energy Highway initiatives," Gil Quiniones, NYPA president and chief

executive, said in the release.

"The Energy Highway pursues a long-term solution to deliver lower-cost, upstate power to the downstate area by reinforcing the

transmission system, Quiniones said, noting the new capacity zone

will "take money out of the pockets of ratepayers and result in a

windfall of profits for existing power plant owners in the region."

The NYISO plans to implement the new zone by May 1, 2014. The PSC is

asking FERC to delay implementing its decision until 2017 and consider how the Energy Highway proposals will affect long-term power prices.

"Without such analysis, FERC cannot properly assess whether it is

causing more harm than good, and whether consumers might end up paying hundreds of millions of dollars for unneeded power plants,"

the PSC and NYPA said.

Governor Cuomo proposed the Energy Highway initiative in January 2012

to rebuild the state's power system by adding up to 3,200 megawatts

(MW) of generation and transmission capacity and clean power.

One megawatt can power about 1,000 New York homes.vvvvvvv