

NYS IBEW UTILITY LABOR COUNCIL

Representing over 15,000 IBEW Utility Workers in NYS – Theodore Skerpon, Chairman

New York has a long standing legacy of leadership in the electric industry that starts with Joseph Henry's discovery of magnetic induction, Thomas Edison's Pearl Street station and Nicola Tesla and George Westinghouse's promise to harness the power of Niagara Falls. The Empire State was home to the first electrical grid and as such, has some of the oldest transmission infrastructure in the country. New York has been able to maintain its energy leadership position by implementing innovative wholesale power markets, pursuing aggressive renewable energy and energy efficiency goals, and by deploying new technologies such as energy storage, smart grid and power generation technologies. While these initiatives have provided benefit to New York ratepayers and thrust New York State to the forefront of the electric industry, the transmission infrastructure these elements are connected to have been greatly neglected.

More than 80% of New York's high-voltage transmission lines went into service before 1980 and more than 4,700 circuit miles will require replacement within the next 30 years. Upstate New York has a diverse set of generation resources that includes natural gas, nuclear, wind and hydro resources and due to constraints on the existing transmission system, are limited in their ability to satisfy downstate demand. According to the New York Independent System Operator's 2012 CARIS report, transmission congestion has cost New Yorkers an additional \$9.2 billion since 2004. Upgrading New York's aging transmission infrastructure will bolster the reliability of the system, tap upstate's diversified generation resources and allow cheaper, cleaner, more efficient resources to satisfy downstate demand.

The New York Public Service Commission is currently embarking on a revolutionary effort to change the current utility paradigm. The "Reforming the Energy Vision" (REV) initiative is a sweeping and broad based proposal with intentions to give customers more options with promised rate reductions through local distributed generators.

The primary foundation of REV is the ability to efficiently move electricity across the state to determine an accurate cost benefit analysis for proposed local generators. Governor Cuomo has jump-started this effort with the release of his Energy Highway Blueprint in 2012 that includes extensive analysis concluding, and agreeing with the Federal Energy Regulatory Commission, the US Department of Energy, and the New York utilities, that New York needs major transmission investment. **It is imperative these investments occur for REV to flourish.**

The dawn of "de-regulation" exposed congestion issues related to the long distance wheeling of electric power across New York State, however; since "de-regulating" its utility model in 1996 New York has not made the necessary investments in its electric transmission system and is now facing system safety and reliability threats from aged infrastructure. Governor Cuomo got it right with the Energy Highway Initiative and completing the Governor's transmission objectives will provide cheaper, cleaner power for downstate ratepayers produced by home-grown resources providing jobs and taxes for upstate – something we can all be proud of.

Given the sweeping reforms proposed by Public Service Commission's REV initiative, it makes sense to build a solid foundation with sound investment in New York's electric transmission system to support the PSC in fulfilling their mission of "*ensuring affordable, safe, secure, and reliable access to electricity*", with "*effective competitive markets that benefit New York consumers.*"