

New York State Electric & Gas Corporation

Columbia County Transmission Project

Exhibit 6

Economic Effects of Proposed Facility

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EXHIBIT 6: ECONOMIC EFFECTS OF PROPOSED FACILITY

6.1 Introduction and Summary of Findings

The construction of the proposed Circuit #726, the extension of the National Grid Trunk #15, the proposed Ghent Switching Station, and the modifications at the Klinekill Substation will require a work force of as many as 50 workers over the course of the 10-month construction schedule. These workers would be of various disciplines to carry out the various typical construction activities, including clearing, site preparation, foundation installation, structure fabrication and erection, conductor stringing, and site restoration activities. Work will typically proceed linearly along the route corridor; however, multiple crews may be working at multiple sites simultaneously to expedite the schedule and meet outage requirements.

The construction of the proposed Ghent Switching Station is anticipated to take approximately 10 months. Improvements to the Klinekill Substation will be scheduled as any necessary outages allow. The proposed Ghent Switching Station site is currently used as an agricultural field so development of this site will reduce the amount of agricultural income. NYSEG will justly compensate the owner of the land for the reduction in agricultural income through the purchase of the property. The resulting change in land use and ownership of the proposed Ghent Switching Station site will provide for an increase in property tax revenue for the Town of Ghent. If the property was previously assessed under the New York Agricultural Districts Law, the current property owner has paid reduced property taxes on the land and there would be an increase in property tax revenue from this parcel after the development occurs.

6.2 Demographics

The Project will be located in the towns of Chatham, Ghent, and Stockport in Columbia County. The populations of these jurisdictions are presented in Table 6-1 (2010 U.S. Census).

Table 6-1 Population by Jurisdiction

Jurisdiction	Population (2010)	Jurisdiction	Population (2010)
Columbia County	63,116	Town of Ghent	4,106
Town of Chatham	5,398	Town of Stockport	2,837

Source: U.S. Census Bureau 2010.

6.3 Construction Effects and Mitigation

Socioeconomic effects generally arise from changes in one or more variables, including large changes in local infrastructure, a change to the regulatory environment, or major employment or income changes in the local economy. These changes may result in the enhancement of land available for development, increased construction, and changes in land use patterns.

The need for the Project is not based on increased demand in the area or the need for increased power in the region, but rather is based on increasing the reliability of the power delivery system in the region. In addition, the Project will be able to provide for system needs, under system normal and contingency conditions, for any potential load growth in the service area. The project will continue to allow for growth within the area but is not likely to spur additional growth due to an adequate amount of power currently available within the area. The construction of the 115-kV lines will not result in major changes to land use patterns. The construction of the Ghent Switching Station on active agricultural land will result in the reduction of agricultural production and associated income. The property owner of the selected site will be compensated through the acquisition of the property and the Town of Ghent will receive additional property tax revenue following the construction of the proposed Ghent Switching Station. No additional mitigation is required or proposed.

6.3.1 Construction Schedule

The overall construction period for the proposed Project is estimated to last approximately 10 months. The duration of construction activities for any one of the circuits will vary considerably depending on the length of the circuit, specific right-of-way constraints, and outage limitations. Improvements at the existing Klinekill Substation will also vary depending upon outage limitations. A detailed construction and sequencing schedule for each of the circuits, reflecting the various construction activities and outage limitations, will be prepared as part of the final design effort.

The overall construction period for the Ghent Switching Station is estimated to also last approximately 10 months. The major overlapping phases of the construction for the Ghent Switching Station and its approximate durations are listed below:

- Site preparation – 1 month

- Foundation installation – 3 months
- Structure erection and electrical equipment installation – 3 months
- Testing and commissioning – 2 months
- Final grading and restoration – 1 month

6.3.2 *Number of Workers by Construction Discipline*

The construction work force for the transmission lines and substation/switching station work will average approximately 50 construction workers during the approximated 10 months of construction. For the proposed transmission facilities, the right-of-way trimming and selective clearing will be done by three- to six-person crews working at selected locations along the rights-of-way where clearing is required. Foundation installation and structure fabrication and erection will be done by separate six- to eight-person crews. Conductor stringing will be done by 12- to 14-person crews. Restoration will be completed by two- to four-person crews. Multiple crews may be employed for particular phases of construction along segments of the line or along different construction spreads to expedite the construction process.

Switching Station construction will involve, on average, 15 to 30 workers (contractors and NYSEG employees) per day for up to 10 months, with a peak construction staff of 50 workers for a period of approximately 3 months if work proceeds simultaneously at multiple stations.

6.3.3 *Available Construction Force*

Construction and operation of the new line would not significantly affect employment in the study area. The construction work force will be small and temporary. Some of the workers for the project may come from the study area. Workers from outside the study area would likely commute on a daily or weekly basis. The presence of additional workers and increased employment may result in a slight increase in retail sales in the study area due to purchases of food, fuel, and other merchandise.

6.3.4 *Mitigation*

The Project does not constitute a major infrastructure improvement within the NYSEG system, it will not result in a change to the land use regulations, and will bring only minor income and employment growth to the area. The Project will not result in major changes to land use patterns

of any area adjacent to the Project or within the study area. No mitigation is deemed necessary for the small and temporary changes to the socioeconomic effects of construction of the Project. There will be property acquisition for the Ghent Switching Station and a resulting loss of agricultural income for the property owner; NYSEG will justly compensate the property owner for these losses.

6.4 Operational Effects

No additional staff would be expected for operation and maintenance of the line. By increasing the reliability of the electric system in the area, industries and businesses may be attracted to the area in the future, thereby increasing the potential for employment in and around the study area.

Construction and operation of the Columbia County Transmission Project will cause minimal alternations to the current land use patterns for the reasons previously cited.

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