

**STATE OF NEW YORK
PUBLIC SERVICE COMMISSION**

Case 24-T-0710 - Application of New York State Electric & Gas Corporation for a Certificate of Environmental Compatibility and Public Need, Pursuant to Article VII of the Public Service Law for the Finger Lakes Area Infrastructure Reliability Project

NEW YORK STATE ELECTRIC & GAS CORPORATION

**STATEMENT IN SUPPORT
OF JOINT PROPOSAL**

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The Applicant, New York State Electric & Gas Corporation (“NYSEG” or the “Company”), submits this Statement in Support of the Joint Proposal, including all its appendices (Appendices A through E), filed with the New York State Public Service Commission (“Commission”) on May 28, 2026, in the above-referenced Commission proceeding (“Joint Proposal”). The Joint Proposal was signed after cooperative and productive settlement negotiations with the signatories to the Joint Proposal. The signatories include the following parties: NYSEG; Staff of the New York State Department of Public Service designated to represent the public interest in this proceeding (“DPS Staff”); the New York State Department of Environmental Conservation (“NYSDEC”); and the New York State Department of Agriculture & Markets (“NYSAGM”) (collectively referred to as the “Signatory Parties”). For the reasons set forth herein, NYSEG urges Presiding Administrative Law Judges (“ALJs”) Leah Amyot and James Costello to issue a report recommending that the Commission adopt the Joint Proposal without modification.

I. BACKGROUND

A. Procedural History

On December 18, 2024, as supplemented on March 27, 2025, NYSEG filed with the Commission an application (the “Application”), pursuant to Article VII of the Public Service Law (“PSL”) and the Commission’s regulations thereunder, for a Certificate of Environmental Compatibility and Public Need (“Certificate”) that will authorize NYSEG to rebuild its existing Line 982 (“Existing Line”), a 115 kilovolt (“kV”) electric transmission line that runs a distance of approximately 21 miles from the Montour Falls Substation in the Town of Montour in Schuyler County to the Coddington Substation in the Town of Ithaca in Tompkins County (the “Project”). The rebuilt Line 982 (“Proposed Line”) will be located primarily on or near the centerline of, and wholly within, the Existing Line’s right-of-way (“ROW”). Upon completion of the Project, the ROW edges of the Proposed Line will be the same as the Existing Line ROW edges.

The Project includes replacement of all of the Existing Line’s conductor, insulators, and existing structures. The Project also includes: installing stormwater management features; establishing one or more temporary laydown/staging areas and marshaling yards; and constructing or improving supporting access roads.

The Application was deemed complete by the Commission Secretary on July 21, 2025. A Procedural Conference was held virtually before ALJs Amyot and Costello on October 9, 2025. The Commission scheduled an in-person Information Forum and Public Statement Hearing, both of which were held in Montour Falls on October 8, 2025, also before ALJs Amyot and Costello.

A Notice of Impending Settlement Discussions was sent to all active parties and other interested persons and duly filed with the Commission on October 10, 2025. Settlement conferences and related meetings were held virtually on October 29, 2025, November 12, 2025,

November 26, 2025, December 10, 2025, January 7, 2026, January 21, 2026, February 18, 2026, March 4, 2026 and March 18, 2026. Electronic communications were also utilized to facilitate settlement discussions.

NYSEG believes the Joint Proposal was arrived at fairly and in full compliance with all Commission rules. NYSEG agreed to adopt the Joint Proposal and believes that the Joint Proposal gives fair and reasonable consideration to the interests of customers, transmission owners, the environment and the public in assuring the provision of safe and adequate service.

The Joint Proposal was noticed for public comment on June 2, 2026, with a deadline of June 29, 2026, for public comments. To date, no members of the public have commented on the Joint Proposal. On June 5, 2026, ALJs Costello and Amyot issued a Ruling Regarding Process and Schedule (“Procedural Ruling”), requiring the filing of Statements in Support or in Opposition by June 17, 2026. This Statement in Support was prepared and is being filed and served in accordance with the Procedural Ruling.

B. Compliance with the Commission’s Guidelines

The Commission’s Procedural Guidelines for Settlements (“Settlement Guidelines”)¹ set forth the following criteria for deciding whether a settlement is in the public interest:

- a) A desirable settlement should strive for a balance among (1) protection of the ratepayers, (2) fairness to investors, and (3) the long term viability of the utility; should be consistent with sound environmental, social, and economic policies of the Agency and the State; and should produce results that were within the range of reasonable

¹ Appendix B to Cases 90-M-0255 and 92-M-0138, Opinion No. 92-2 – *Opinion, Order and Resolution Adopting Settlement Procedures and Guidelines* (March 24, 1992).

results that would likely have arisen from a Commission decision in a litigated proceeding; and

- b) In judging a settlement, the Commission shall give weight to the fact that a settlement reflects the agreement by normally adversarial parties.

NYSEG asserts these factors have been satisfied and that the Joint Proposal should be adopted in its entirety. A joint proposal inherently involves compromises to satisfy diverse interests. While many of the individual components of the Joint Proposal would not have been acceptable to NYSEG or to another of the settlement parties on a stand-alone basis, the components are acceptable to all parties because they are parts of a series of inter-related compromises. NYSEG views those individual components as a package and believes that package is in the public interest. NYSEG believes that, since the overall package is in the public interest and meets the other statutory requirements (detailed below), the Commission should certify the Project.

The rationale underlying NYSEG's willingness to agree to the Joint Proposal is that, assuming it is adopted by the Commission, it allows the Company to reach a high degree of certainty in the near term about the certified Project and ensures that all Project details are within the range of acceptability to NYSEG. If instead a number of issues in this proceeding were litigated, NYSEG would not be able to count on the certainty that all issues would be resolved in ways acceptable to NYSEG. The position NYSEG would have adopted in litigation would have been to support the Project proposal as detailed in the Application. However, the outcome of litigation would be likely to include resolution of at least one significant issue in a way NYSEG considers less acceptable compared to how that issue is addressed in the settlement.

As stated above, a joint proposal inherently involves compromises to satisfy diverse interests. Examples of the negotiated compromises achieved during the course of settlement discussions are the incorporation of the following revisions to the Application, set forth in Appendix B to the Joint Proposal:

- NYSEG had proposed in the Application to replace existing wooden H-frame single-circuit structures with steel monopole single-circuit structures. In the settlement, however, NYSEG and the other Signatory Parties agreed that the existing wooden H-frame single-circuit structures should instead be replaced with steel H-frame single-circuit structures, not the originally proposed steel monopoles, in all of the Project ROW except for a segment located in the Town of Newfield near the Cayuga Inlet (consisting of four structures [Structures 126 through 129], which will be monopoles). The steel H-frame structures, which are shown on Exhibit 34 of the evidence agreed upon by the Signatory Parties to be admitted as record evidence in this proceeding (collectively, the “Evidentiary Record”): (i) will allow for shorter transmission line recall time during construction with less stress being placed on the existing aged conductor should the line need to be placed back in service in an emergency; (ii) will be lower in height, by approximately 20 to 25 feet, compared to the steel monopoles proposed in the Application, which will reduce potential Project visual impact to nearby receptors; (iii) are only anticipated to increase the number of required structures by one compared to the initially proposed monopoles; and (iv) will not increase Project cost by an amount exceeding the cost contingency set forth in Exhibit 9.
- The four monopole structures proposed to be located near Cayuga Inlet in the Town of Newfield, while taller than the H-frame structures proposed for the rest of the Project

ROW, will reduce the potential impacts to wetlands, streams, significant natural communities, and areas of high erosion, and also address engineering and constructability issues in this area.

In paragraph 42 of the Joint Proposal, the Signatory Parties aver that a design with H-frame structures with heights similar to the Existing Line's structures, which would be materially shorter than those now proposed in the Joint Proposal, would require approximately twice the number of structures and would thereby increase project cost and environmental and landowner impacts compared to the current proposal. The Procedural Ruling requires NYSEG to explain its assertion that the use of H-frame structures with heights similar to the Existing Line's structures would require approximately twice the number of structures. By way of additional explanation, the use of structures similar in height to those of the Existing Line would necessitate approximately twice the number of structures primarily because of conductor weight and sag, as well as clearance and tension limits. More specifically, the Project is designed to use 1192 Bunting ACSR conductor to meet the Project's ampacity requirements. This conductor has an area approximately 3.5 times greater than the existing 336 Oriole ACSR conductor, resulting in substantially increased weight and sag. Additionally, the Project includes the installation of integrated lightning protection and fiber optic communication capabilities utilizing a dual static wire system comprised of an optical ground wire ("OPGW") and an Alumoweld shield wire, placed above the conductors on each structure, which requires additional structure height. Thus, if H-frames structures with heights similar to the Existing Line's were used (i.e., approximately 55 feet), to ensure this heavier conductor remains above minimum design ground clearances and functions within allowable tension limits while still allowing for installation of the OPGW and Alumoweld Shield Wire at a

distance above the conductor to provide adequate shielding from lightning strikes, the span lengths between structures would have to be reduced by amounts that would require installation of approximately double the number of structures for the Project compared to the current proposal.

The Joint Proposal states, and NYSEG agrees, that the above design changes achieved during settlement are likely to improve the Project with respect to constructability and potential visual impact.

C. The Commission's Review of the Joint Proposal

Pursuant to Subsection 1 of PSL Section 126, in rendering a decision on an application pursuant to Article VII, the Commission may grant a certificate for the construction or operation of a major utility transmission facility only if it finds and determines:

- a) the basis of the need for the facility;
- b) the nature of the probable environmental impact;
- c) that the facility avoids or minimizes to the extent practicable any significant adverse environmental impact;
- d) that the facility avoids or minimizes to the extent practicable any significant adverse impact on active farming operations that produce crops, livestock and livestock products;
- e) what part, if any, of the electric transmission line shall be located underground;
- f) that such facility conforms to a long-range plan for expansion of the electric power grid;
- g) that the location of the facility as proposed conforms to applicable state and local laws and regulations issued thereunder; and

h) that the facility will serve the public interest, convenience and necessity.

II. DISCUSSION

A. Basis of Need

The Joint Proposal and its appendices will permit the construction and operation of the Project subject to specified safeguards to protect the environment, and the Joint Proposal should be approved without modification as it is part of a series of inter-related compromises that must be judged as a package. The key factors supporting a determination that the Project is needed and that adoption of the Joint Proposal is in the public interest are:

- The Project is needed to enable NYSEG to continue to ensure reliable service in its Elmira and Ithaca Divisions and to help achieve the objectives of the Climate Leadership and Community Protection Act (“CLCPA”)² and the Accelerated Renewable Energy Growth and Community Benefit Act.³
- Two major categories of CLCPA transmission projects are designed to achieve renewable resource benefits in support of the goals of the CLCPA and the Accelerated Renewable Energy Growth and Community Benefit Act: Phase 1 and Phase 2. The rebuild of Line 982 is a Phase 1 Project that focuses on existing upgrade projects already in NYSEG’s long term capital plan, driven by reliability or asset condition-based needs in addition to, in some cases, incremental upgrades to achieve an enhanced renewable resource integration benefit.

² L.2019, Ch. 106.

³ L.2020, Ch. 58, Part JJJ.

- In its December 15, 2022 *Order Authorizing Continuation of Phase I Transmission Projects and Cost Recovery Measures* in Case 20-E-0197, the Commission identified the NYSEG components that comprise the Project as a Qualifying Project for cost recovery treatment pursuant to the Commission’s February 11, 2021 *Order on Phase I Local Transmission and Distribution Project Proposals* in the same proceeding.
- The Project will enable NYSEG to maintain adequate single contingency service through the Ithaca Division.
- The Existing Line requires asset condition upgrades to ensure future reliability in the area. NYSEG’s assessment of the asset condition of the Existing Line revealed that 115 structures (73%) require replacement, and the conductor is beyond its useful life.
- The Joint Proposal includes sound provisions to protect the environment.
- The Joint Proposal embodies the agreement of normally adversarial parties to a reasonable result.

B. Nature of Probable Environmental Impacts

Environmental studies and impact assessments were prepared for the Project utilizing field investigations, literature reviews, GIS analyses and agency consultations. A detailed description of these studies and the potential environmental impact of the Project is set forth in the resource specific sections of Exhibit 4 of the Evidentiary Record. These studies and assessments conclude that the Project will potentially result in limited, temporary adverse environmental effects, which will occur primarily during the construction phase.

Because the Project includes the rebuild of transmission facilities located primarily in existing transmission line ROW, NYSEG has avoided or minimized the potential for the Project

to result in adverse impacts in the following areas: Land Use, Floodplains, Agricultural Districts, Potential Environmental Justice Areas and Disadvantaged Communities, Visual Resources, Cultural Resources, Terrestrial Ecology and Wetlands, Wildlife and Rare, Threatened and Endangered Species, Topography and Soils, Water Resources, and Noise.

As shown in Appendix D of the Application (Exhibit 18 of the Evidentiary Record), which summarizes electromagnetic field (“EMF”) impacts associated with the Project, the calculated electric field levels at the Project ROW edge do not exceed the Commission’s 60-Hz AC standard of 1.6 kV/m in any modeled cross section along the proposed route of the Project. Similarly, the calculated magnetic-field levels at the Project ROW edges do not exceed the NYPSC 60-Hz AC standard of 200 mG in any modeled cross sections along the proposed route of the Project.

The Joint Proposal and the appendices, Application, testimony, and exhibits contained in the Evidentiary Record describe the nature of the probable environmental impacts of the Project, which are expected to be minimal and limited to temporary, construction-related disturbances. Further, adequate measures to protect the environment are included in the Joint Proposal and will be incorporated into the Environmental Management and Construction Plan (“EM&CP”) for the Project including, but not limited to, construction details and the identification of environmental impact avoidance and mitigation measures.

C. The Project Avoids or Minimizes Any Significant Adverse Environmental Impact

The Project has been reviewed with respect to potential impacts on transportation; agricultural lands; land uses; visual, cultural, terrestrial, wildlife, wetland and water resources; threatened and endangered (“T&E”) species; topography and soils; invasive species; noise; communications; and EMF. The Signatory Parties have determined that the Project, including the

Settlement Revisions agreed to by the Signatory Parties, represents the minimum adverse environmental impact considering the state of available technology, the nature and economics of the various alternatives, and other pertinent considerations.

The Joint Proposal includes NYSEG's commitment to implement various measures and conditions designed to promote protection and avoidance of known T&E plant or animal species during construction, operation, and maintenance of the Project. The Project will comply with the substantive requirements of the Environmental Conservation Law ("ECL") governing the identification, avoidance, protection, impact minimization and, if necessary, compensation for the incidental take of listed T&E species. The Project avoids and minimizes adverse impacts to streams, waterbodies, wetlands, and the regulated adjacent area associated with any State-regulated wetlands.

NYSEG submits that, overall, the record evidence amply demonstrates that the Project represents the minimum adverse environmental impact considering the state of available technology, the nature and economics of the various alternatives, and other pertinent considerations.

D. The Project Avoids or Minimizes Any Significant Adverse Impact on Farming

Operations

The Project traverses active agricultural lands and designated New York Agricultural Districts, which encourage improvement and continued use of agricultural land for food and other agricultural products. While no adverse impacts are anticipated on these agricultural lands because the Project is located within existing ROW, NYSEG has committed to following the NYSAGM guidelines regarding construction mitigation for projects on agricultural lands.

E. Underground Location

The Evidentiary Record describes the feasibility and impact of alternatives to the Project. Considering all factors, the Project as located and configured is preferable, on balance, to the alternatives considered, including an underground alternative. Underground installation was considered and rejected for certain small portions of the Project as well as for its entirety. NYSEG rejected undergrounding based on several factors, including high cost, increased environmental impacts, and increased complexity of operations and maintenance, and did not attempt a more detailed study of the cost of underground construction or conduct a site-specific analysis of environmental impacts. The Project's above-ground location, which uses existing electric transmission corridors, is preferred due to its relatively minimal impacts to wetlands, floodplains, topography, and residential areas.

F. Conformance with Long-Range Plans

The Project conforms to the requirements and planning objectives of the New York Independent System Operator and is consistent with NYSEG's long-range plans for the expansion of its transmission facilities. The Project will serve the interests of electric system economy and reliability. The Project will enable NYSEG to address asset condition needs and eliminate identified transmission line limitations in order to maintain adequate single contingency service through the Ithaca Division. The Project will rebuild the Existing Line with higher rated conductor to address the deliverability need and create the most headroom at a minimal cost increase versus smaller conductors.

The Commission's grant of the Certificate will not be inconsistent with, and will not interfere with, the attainment of the statewide greenhouse gas emissions limits in Article 75 of the

ECL established by Section 2 of the CLCPA. Portions of the Project ROW are near or cross locations designated as Disadvantaged Communities and Potential Environmental Justice Areas. However, no increased adverse impacts are anticipated in these locations because the Project is the rebuild of an existing electric transmission line within the same ROW and, as a transmission line, does not represent a source of greenhouse gas or co-pollutant emissions.

G. Conformance with Applicable State and Local Laws

NYSEG will comply with, and the Project location conforms to, applicable State law. Except for those local legal provisions NYSEG specifically requested that the Commission refuse to apply, NYSEG will comply with, and the location of the Project as proposed, conforms to all substantive local legal provisions that are applicable to the Project. The Application identifies, for each local jurisdiction, every substantive local legal provision (ordinance, law, regulation, standard, and requirement) potentially applicable to the Project, as well as every such local legal provision that NYSEG requested in such exhibit that the Commission not apply because, as applied to the Project, such local legal provision is unreasonably restrictive in view of the existing technology, factors of costs or economics, or the needs of consumers. No local jurisdiction has filed any objection to NYSEG's requests that the Commission not apply specified local laws, and the Signatory Parties agree that the justifications for NYSEG's requests provide sufficient basis for the Commission to refuse to apply the identified local ordinances.

H. The Project Will Serve the Public Interest, Convenience, and Necessity

The Joint Proposal, including the appended proposed Certificate Conditions set forth in Appendix D to the Joint Proposal, contains several safeguards that, taken together, avoid or

minimize the potential harm to the environment resulting from construction and operation of the Project. These protections relate to use of Specifications for the Development of the EM&CP, construction timing to minimize impacts, sediment and erosion control, traffic maintenance and control, non-interference with communication systems, compliance with EMF guidance levels, invasive species control, conservation of topsoil, conservation of archaeological resources, conservation of agricultural resources, site restoration and re-vegetation, visual impact mitigation and landscaping, herbicide use, plans for petroleum and hazardous substances, compliance with occupational safety regulations, noise mitigation, local laws, right-of-way maintenance, and protecting nearby electric, gas, telecommunication, water, sewer, and related facilities. The Joint Proposal also includes provisions addressing advance public notice of construction, environmental supervision, and stop-work authority. Finally, the Joint Proposal provides a dispute resolution mechanism to ensure that any disagreements are addressed promptly and brought to the Commission for resolution if they cannot be resolved informally.

The Project was designed and proposed based on extensive input from all administrative agencies with a potential interest in the Project's construction and operation, and the Joint Proposal results from substantial discussion and negotiation among its Signatory Parties. Accordingly, NYSEG submits that the Joint Proposal embodies results that were within the range of reasonable results that would likely have arisen from a Commission decision in a litigated proceeding, and the Joint Proposal was negotiated by normally adversarial parties.

I. Certificate Conditions and Environmental Management & Construction Plan

The Proposed Certificate Conditions set forth in Appendix D to the Joint Proposal are acceptable and appropriate for inclusion in a Certificate authorizing construction and operation of

the Project. The Proposed Certificate Conditions, along with the Specifications for the Development of the Environmental Management and Construction Plan set forth in Appendix E to the Joint Proposal, address the development and requirements for an EM&CP that are acceptable and appropriate for the Project, and protective of the public interest and environmental resources.

III. CONCLUSION

For the reasons set forth herein, NYSEG supports the Joint Proposal and urges the ALJs to recommend that the Commission adopt the Joint Proposal without modification. The Joint Proposal balances the competing interests of NYSEG and the other parties, produces a result unlikely to have been achieved except through settlement, and conforms to the Commission's policies, including satisfying all the criteria in the Settlement Guidelines for the Commission deciding that a settlement is in the public interest. Based on the Joint Proposal, the Commission should make the findings required by PSL Section 126(1), including those set forth in Appendix C to the Joint Proposal, and grant the Project a Certificate of Environmental Compatibility and Public Need.