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Rory M. Christian, Chair

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PSC Approves Upstate Transmission Projects to Eliminate Bottlenecks Constraining Delivery of Clean, Renewable Energy

Transmission Upgrades Needed to Meet Climate Act Requirements

Projects Will Create Good-Paying Construction Jobs in Upstate New York

ALBANY — The New York State Public Service Commission (Commission) today authorized the major upstate electric utilities to develop 62 local transmission upgrades designed to reduce congestion in three upstate regions as called for by the Climate Leadership and Community Protection Act, or Climate Act.

“New York is making significant upgrades and additions to the State’s existing transmission and distribution systems to integrate new large-scale renewable energy projects into the State’s energy supply, and we must ensure that these investments are smart and cost-effective,” **said Commission Chair Rory M. Christian.** “The Commission recognizes the need to address congestion in certain parts of the State where renewable energy is already bottled and where additional generation projects are in development or likely to be developed in the future.”

In its decision, the Commission approved the requests of Central Hudson Gas & Electric Corporation, New York State Electric & Gas Corporation, National Grid (upstate), and Rochester Gas and Electric Corporation for authorization to develop 62 local transmission upgrades that will reduce congestion in three existing generation pockets in the Capital Region, the southwest, and northern regions of the State.

In total, the 62 projects will create 3,500 megawatts of capacity for clean energy — enough electricity for more than 2.8 million average-sized homes. The lack of transmission capacity in upstate New York negatively impacts ratepayers by increasing the costs of renewable energy resources and curtailing the production of clean energy, among other things. The \$4.4 billion estimated cost of the transmission upgrades to construct leverages at least \$1 billion in direct benefits to New York companies and localities and avoids billions in excess payments to renewable power producers. The primary purpose and primary benefit of these projects are climate mitigation, which benefits all New Yorkers. The secondary benefits, the direct local benefits, include hundreds of high paying construction jobs and significant tax payments to local municipalities arising from the \$10.3 billion in expected capital investment related to the projects.

The approved proposals originated in the Commission’s ongoing proceeding focused on transmission planning to identify electric grid upgrades that are necessary to support the Climate Act’s renewable energy goals. In a 2021 order issued in that proceeding, the Commission recognized that renewable

generation output in the three upstate regions was already being curtailed due to the lack of adequate transmission capacity. The Commission also recognized that these areas are likely to see additional renewable generation development in the future. The 2021 order directed the utilities to identify cost-effective transmission upgrades that would address both existing and future congestion on these parts of their systems.

After studying their existing and likely future renewable generation points of interconnection, the utilities proposed local transmission upgrades for each region. These 62 projects include upgrades to existing transmission lines, upgrades to existing substations and construction of three new substations. The utilities plan to complete these projects between 2024 and 2030.

By supporting the delivery of renewable energy to the power system, these investments are a step towards meeting Climate Act goals. In addition to reducing carbon emissions and generating more clean energy, the Climate Act will help create thousands of green jobs in communities across the State — from building trades and technicians to engineers and financiers — making New York a hub for clean energy economic growth while ensuring good-paying job opportunities for all New Yorkers. The development and construction of these local transmission upgrades received strong support from most stakeholders that filed comments on the proposed upgrades, including the Alliance for Clean Energy New York, Inc.

New York State's Nation-Leading Climate Plan

New York State's nation-leading climate agenda calls for an orderly and just transition that creates family-sustaining jobs, continues fostering a green economy across all sectors and ensures that at least 35 percent, with a goal of 40 percent, of the benefits of clean energy investments are directed to disadvantaged communities. Guided by some of the nation's most aggressive climate and clean energy initiatives, New York is on a path to achieving a zero-emission electricity sector by 2040, including 70 percent renewable energy generation by 2030, and economywide carbon neutrality by mid-century. A cornerstone of this transition is New York's unprecedented clean energy investments, including more than \$35 billion in 120 large-scale renewable and transmission projects across the state, \$6.8 billion to reduce building emissions, \$1.8 billion to scale up solar, more than \$1 billion for clean transportation initiatives, and over \$1.8 billion in NY Green Bank commitments. These and other investments are supporting more than 165,000 jobs in New York's clean energy sector in 2021 and a 2,100 percent growth in the distributed solar sector since 2011. To reduce greenhouse gas emissions and improve air quality, New York also adopted zero-emission vehicle regulations, including requiring all new passenger cars and trucks sold in the State be zero emission by 2035. Partnerships are continuing to advance New York's climate action with nearly 400 registered and 100 certified Climate Smart Communities, nearly 500 Clean Energy Communities, and the State's largest community air monitoring initiative in 10 disadvantaged communities across the state to help target air pollution and combat climate change.

Today's decision may be obtained by going to the Commission Files section of the Commission's Web site at www.dps.ny.gov and entering Case Number 20-E-0197 in the input box labeled "Search by Case/Matter Number". Many libraries offer free Internet access. Commission documents may also be obtained from the Commission's Files Office, 14th floor, Three Empire State Plaza, Albany, NY 12223 (518-474-2500). If you have difficulty understanding English, please call us at 1-800-342-3377 for free language assistance services regarding this press release.