

Champlain Hudson Power Express, Inc.
Case 10-T-0139

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| Request No.: | IPPNY-1 | Date of Request: | September 17, 2010 |
| Requested By: | Independent Power Producers of NY | Reply Date: | September 27, 2010 |
| Subject: | Property Interest | Witness: | Thomas O'Flynn |

REQUEST:

1. Refer to Section 2.1 of the Application.
 - a. Identify the owner of each parcel of land (including, but not limited to, entry and exit points into and from waterways) that will be occupied by the New York Facilities (as provided in Table 2-1).
 - b. Identify the real property interest that has been acquired for each parcel of land to install the New York Facilities.
 - c. If an interest in a parcel of land has not been acquired yet, identify, for each such parcel of land, the method the Applicant proposes to use to obtain said interest to allow the installation of the applicable New York Facility.

RESPONSE:

- 1a. The New York lands to be occupied by the project are owned by a mix of public and private owners. The underwater lands of Lake Champlain and the Hudson, Harlem and East Rivers are generally owned by the State of New York, and it is expected that the Office of General Services (OGS) will grant interim permits to construct the project and eventual easement(s) to operate the project pursuant to Section 3 of the Public Lands Law. The Applicants are currently in preapplication consultations with OGS, and are also identifying areas where owners other than the state may have some interest in the underwater lands (such as the existing federal ship canal in the Harlem River). Applicants have a lease option agreement with the private owner of the Yonkers converter station site, and they expect to access that site and the interconnection in Astoria, Queens, by horizontal directional drilling from the water. Upland portions of the route will occupy existing railroad rights-of-way; the Applicants are negotiating with CSX Transportation and the Canadian Pacific Railroad for the ability to utilize those rights-of-way. To the extent any municipally-owned parcels will be occupied, those parcels will

be identified pursuant to a title search to be completed in the fall of 2010 and all applicable municipal consents to occupy will be obtained.

- 1b. The Applicants have not yet acquired real property interests associated with the project.
- 1c. In order to obtain the necessary land interests to allow installation of the applicable New York Facility, the Applicants expect and intend to negotiate the applicable governmental and private consents, leases and easements described in the above response to question 1a.