

1,000 MW New England Clean Power Link files permit with Vermont PSB

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TDI New England announced Monday that the company has filed a state permit application seeking approval of its proposed New England Clean Power Link project. The application states that the project, once completed, will provide \$136 million in ratepayer relief for Vermonters as part of a total public benefits package of \$298 million. Over the 40-year life of the project, TDI estimates the project will create approximately \$1.5 billion total economic benefits to the State and its residents.

The New England Clean Power Link is a proposed 1,000 MW High Voltage direct current (HVdc) underwater and underground transmission cable that will bring clean, low-cost energy from Quebec to Vermont and the New England marketplace. Once completed, the developer says the project will lower costs for consumers, reduce environmental emissions, create jobs, increase tax revenues, and diversify fuel supply in New England, all while respecting Vermont's natural beauty by burying the cable.

If approved after federal, state and local environmental review, the project will run two six-inch-wide cables an estimated 150 miles, all in Vermont. Approximately 100 miles are proposed to be buried under Lake Champlain and the balance buried underground in existing rights-of-way. The line will end at a converter station to be built at a location in Ludlow, Vermont and connect into the VELCO transmission grid to serve Vermont and the broader New England market.

The \$1.2 billion merchant line will be privately financed and will not use taxpayer dollars.

The developers of the Clean Power Link are also developing the Champlain Hudson Power Express project, a power line of similar capacity that also will run under Lake Champlain from Quebec to serve the New York City metro area. The \$2.2 billion project would be one of the largest investments in New York State history.

The application for the Clean Power Link [referred to as a "Section 248" application] was filed December 8 with the State of Vermont Public Service Board and seeks permission to construct and operate the proposed 1,000 MW New England Clean Power Link electric transmission project. The Public Service Board will now begin a thorough review of the project, and if the application is approved will issue a Certificate of Public Good, which will detail the terms and conditions under which the project may be constructed and operated.

TDI New England Chief Executive Officer Donald Jessome said, "We are extremely pleased to file this application today. We have been working hard to develop the New England Clean Power Link as an innovative, buried, environmentally sensitive alternative to above ground power lines. Through the use of existing rights of way, we can deliver clean, lower-cost power to Vermont and New England and we are

excited to now detail, for the first time, four new, multi-million dollar benefit funds designed to help Lake Champlain, foster clean in-state energy development, and provide relief to Vermont electricity ratepayers.”

Jessome continued, “The funds devoted to public purposes, along with the project’s other economic and environmental benefits, make the Clean Power Link a positive project for people of Vermont and New England. We look forward to having the Public Service Board give our application a thorough, independent evaluation.”

The expansive filing contains hundreds of pages of facts, testimony, and exhibits that describe the project, explains its impacts, and illustrates its benefits to the people of Vermont and New England. The filing reflects and incorporates information received from the extensive public outreach that TDI New England has conducted over the last year. The Public Service Board will review the filing and provide opportunities for the public to offer comment on the proposed 154 mile project.

The four new benefit funds included in the Section 248 application are designed to benefit retail ratepayers and to address existing environmental issues. The funds proposed are as follows:

- A \$136 million reduction in transmission costs paid by Vermont electric ratepayers, funded through payments to Vermont Electric Power Company (VELCO) at an initial rate of \$2.5 million a year escalating at 1.5% for the 40-year life of the project
- An \$82 million Lake Champlain Phosphorous Clean Up Fund, paid at a rate of \$2 million annually after two initial \$1 million payments
- A \$40 million fund to support habitat restoration and recreational improvements in Lake Champlain, paid at a rate of \$1 million a year for the 40-year life of the project
- A contribution of \$40 million to Vermont’s Clean Energy Development Fund, paid at a rate of \$1 million annually for the 40-year life of the project

In addition to the new funds, the Section 248 application details numerous other benefits that the New England Clean Power Link will deliver to the people of Vermont and New England. These include: millions of dollars in new state property and sales tax revenue; hundreds of new construction jobs; lower electricity costs; an increase in the region’s gross domestic product; and a reduction of millions of tons of greenhouse gas emissions each year to help the region meet its aggressive climate change goals. All of these benefits are spelled out in detail in the application, which is available on the New England Clean Power Link web site: necplink.com/regulatory-documents.php(link is external)

As part of the Section 248 application process, TDI New England sent more than 700 letters to landowners who own property adjacent to the proposed project route informing them of this filing. This outreach is in addition to the extensive work TDI New England continues to do to keep the public informed and up to date on the proposal.

To date, TDI New England has sponsored numerous community open house meetings in Vermont, held a Lake Champlain Symposium to discuss how the project impacts to Lake Champlain, participated in Federal scoping hearings on the project, and spent months conducting outreach to local officials, stakeholder groups and landowners.

Earlier this year, TDI New England filed applications with the U.S. Department of Energy seeking a Presidential Permit and with the U.S. Corps of Engineers seeking Clean Water Act Section 404 and Rivers and Harbors Act Section 10 permits.

About the New England Clean Power Link

The New England Clean Power Link is a proposed 154-mile underwater and underground transmission line that would deliver 1,000 MW of clean, lower-cost, hydroelectricity to the Vermont and New England market. The line is being developed with private sector financing by TDI New England and would originate at the U.S. – Canadian border and travel approximately 97.3 miles underwater down Lake Champlain to Benson, Vermont and then be buried along town and state road and railroad rights-of-way or on land owned by TDI New England for approximately 56.7 miles to a new converter station that would be built in Ludlow, Vermont. The project is expected to be in service in 2019, at a cost of approximately \$1.2 billion.

About TDI New England

TDI New England is a Blackstone Portfolio Company. New York-based Blackstone is a global leader in alternative asset management with \$284 billion currently under management. The TDI New England team is made up of the same leadership team currently developing the Champlain Hudson Power Express in New York State. That project has received all state permits, a Presidential Permit for the Department of Energy and expects to have its final Army Corps of Engineer Permits by the end of the year. The developers have a strong track record of working in partnership with local elected officials, community groups, and other stakeholders to develop projects that meet unique energy needs of growing economies, while minimizing local impacts. More information on the company and the project are available at www.necplink.com(link is external).