PRESS RELEASE

Proposed Hudson Valley Power Line Project is a Misguided Attempt to Prop Up Investor-Owned Utilities, Delaying Locally Generated Renewable Energy, According to New Report

Washington, D.C., June 15, 2015. A policy paper, *The Hudson Valley "Energy Highway" transmission project: An idea whose time has passed?*, was published today by the National Institute for Science, Law & Public Policy (NISLAPP) in Washington, D.C.

Authored by Senior Research Fellow, Timothy Schoechle, PhD, the analysis of risks says the proposed billion-dollar transmission project was conceived within an out-of-date "cost-of-service" and fossil fuel-based energy paradigm and it should not be built.

"New York State would be making an enormous and costly, wasteful, and strategic mistake to allow the Hudson Valley transmission project to proceed any further," says Dr. Schoechle. "The ongoing capital spending trajectory of the utility industry places it on a collision course with the technology and economics of distributed renewable energy—the path to an abundant, clean energy future for NY State and the nation".

Key Points in the paper:

- **A need for additional power lines to serve New York City is not supported by measurable evidence or by any independent determination of need.** This was well documented in a report by Gidon Eshel (2014), *"Hudson Valley Transmission Line Plan: Assessing Need and Alternatives"*. (https://www.researchgate.net/profile/Gidon_Eshel)

- **The proposed power line project only serves the financial interests of utilities and suppliers increasing their bottom line, since all costs can be charged back to ratepayers.** Billion-dollar electricity industry investments should advance the economic interests of residents of New York City and NY State, as with renewable energy and distributed (local) generation, not try to save an obsolete electricity system.

- **New York utility customers paid 40% more for electricity over the past decade while the price of natural gas, the principal fuel used to generate it, has dropped 39%.** One reason for this irony is capital spending by utilities, primarily on generation and transmission—$17 billion in that same period. Rates in New York are estimated to go up another 63% in the next decade. This rate trajectory is unsustainable and unjustified, both in New York and in the nation.

- **Alternative investment encouraging local, distributed generation can move New York state toward sustainable long-term clean energy independence and abundance at a reasonable cost**. Such investment can also improve economic competitiveness, preserve natural resources, enhance national and community security, reduce potential health risks, improve resiliency from

severe weather events, and help forestall the threat from man-made global warming."

- **The concept of a future grid based on *centralized control* of renewable energy, called an "Integrated Grid" by the Electric Power Research Institute, is not advised.** Dr. Schoechle says, "It makes no sense to maintain centralized control of an inherently decentralized and simpler technology—to try to control a technological transformation where "distributed" should imply a more independent, democratic, community-based, smaller, simpler, and scalable electricity system. The solar age has arrived. The transformation underway should not be impeded by the excess baggage of a progressively obsolete and superfluous centralized grid"

- **The New York Public Service Commission's REV initiative—*Reforming the Energy Vision*—should be the principle focus of NY State for now.** The program offers the opportunity to take a fresh and comprehensive view of New York's energy future, establishing a platform to review technical and policy approaches for providing electricity in an economical, safe, secure, resilient and democratic manner to all people in NY.

- **By focusing on developing a clean and sustainable electricity system, a range of other risks from the proposed "Energy Highway" can be avoided, responding to the increasingly vocal concerns of constituents.** These include preventing wildlife habitat fragmentation; tourism decline; property devaluations; grid reliability issues with large, complex systems; financial waste from technological obsolescence; and the eyesore of large transmission lines.

- **New York state can rise to its potential for clean energy abundance, lowered energy costs and sustainable economic competitiveness through investment in distributed (locally generated) electricity using renewable energy technologies.**

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