



February 16, 2022

Comments of the New York City Environmental Justice Alliance in Opposition

The New York City Environmental Justice Alliance (NYC-EJA) urges the Public Service Commission (“Commission”) to deny the proposed contract for the Champlain Hudson Power Express (CHPE), and direct NYSERDA to negotiate a contract for a second *in-state* transmission line to provide New York-based renewables into Zone J that would better address environmental justice concerns in New York City.

NYC-EJA is a non-profit, 501(c)3 citywide membership network linking grassroots organizations from low-income neighborhoods and communities of color in their struggle for environmental justice. NYC-EJA empowers its member organizations to advocate for improved environmental conditions and against inequitable environmental burdens by the coordination of campaigns designed to inform City and State policies. Through our efforts, member organizations coalesce around specific common issues that threaten the ability for low-income communities of color to thrive. NYC-EJA is led by the community-based organizations that it serves, with its board elected by its member groups, who set policy and guide program development.

We have long advocated that Canadian hydropower is a false solution for New York City’s climate justice goals.¹ The results of the Tier 4 auction, which showed the competitiveness of in-state solar, wind, and energy storage based proposals, reaffirms our position. We echo the comments filed by the Sierra Club, Riverkeeper, the Dutchess County Legislators, and others that CHPE is not the answer for New York City’s electricity transition – we can and should do better.

I. CHPE is Expensive, Unnecessary, and Environmentally Flawed

CHPE is not necessary to meet the State and City’s climate goals: The Clean Path-NY (CPNY) project, which is both cheaper and provides more social benefits than CHPE, demonstrates that there is no need to outsource our State’s renewable energy jobs in order to meet the climate goals of the CLCPA. NYSERDA’s own analysis shows that approving CPNY by itself would produce more benefits than approving both CHPE and CPNY. The Tier 4 RFP generated an incredible response from clean energy developers, and there is every reason to believe that a subsequent solicitation would produce projects better than CHPE.

CHPE will not create as many jobs for New Yorkers as other Projects. As reflected in NYSERDA’s own analysis, CHPE relies on Canadian generation exclusively, and large-scale hydropower with storage impoundment principally. The proposed contract does not include a converter station that would have allowed other New York-based solar and wind resources to use the transmission line and supply New York City.

CHPE will not retire New York City’s fossil fuel fleet: As Sierra Club notes in its comments, the absence of a Supplier Energy Baseline in the proposed HQUS contract means that there is no obligation for CHPE to provide reliable energy in the winter. New York’s fossil fleet, which has been so harmful to the City’s disadvantaged communities, would still be needed to keep the lights on in the winter when electricity is expected

¹ New York City Environmental Justice Alliance, *NYC Climate Justice Agenda 2020 A Critical Decade for Climate, Equity, & Health*; <https://nyc-eja.org/wp-content/uploads/2020/04/CJA-2020-FINAL-042020-for-web.pdf>.

to peak over the 25-year contract term. Paying for a more expensive project that will not ensure the transition of New York City's carbon-intensive generation is not a good deal for New Yorkers, and especially its most vulnerable communities.

Negative Environmental Impacts of Canadian Hydropower. Nothing in the CHPE agreement allays our concerns about the ecological and social impacts of large-scale Canadian hydropower, including the potential exposure of Indigenous communities in Canada to poisonous methyl-mercury from dam construction. New York has sufficient solar, wind, and energy storage resources, and the capable, homegrown workforce to meet the CLCPA's goals, as evidenced by the CPNY project and the other Tier 4 proposals, all of which relied on New York-based renewable energy resources.

CHPE's greenhouse gas emission reductions are not guaranteed. We share the Sierra Club's concern that Supplier Greenhouse Gas Baseline in the HQUS contract provides inadequate assurance that CHPE will indeed provide the emission-reduction benefits that it promises. Replacing CHPE's provided energy with more carbon-intensive energy elsewhere on the Canadian or New York grid remains a concern, and the Commission should reject the contract on this basis alone.

CHPE Makes New York dependent on foreign large-scale hydropower for the next 25 years. The multi-billion dollar CHPE project would lock New York City into long-term dependence on Canadian hydropower while inhibiting offshore wind, solar and other renewable industries from developing clean energy infrastructure and catalyzing good green jobs in the process.

CHPE is not needed for Local Law 97. Flooding the Local Law 97 compliance market with Tier 4 RECs from dammed Canadian hydropower would undermine the demand for retrofits and energy efficiency upgrades in New York City's buildings – one of the key climate and environmental justice goals of the City's leading building emissions law. To the extent building owners need such a REC "loophole" to avoid making actual energy efficiency improvements to the City's building stock – and hiring New York's clean energy workers to make those improvements – the CPNY project provides more than a sufficient amount of Tier 4 RECs to satisfy that need, and an in-state project contracted for in a future solicitation could even further boost such availability. CHPE is superfluous and wrong-headed in this respect.

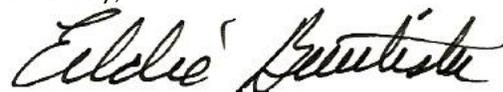
II. Commission Should Order a Second Solicitation

CHPE is a fundamentally flawed project and a bad deal for New York City's communities. But as the Tier 4 solicitation made clear, CHPE is not the only game in town. NYSERDA received seven separate proposals. With the exception of CHPE, all of them relied on either solar or wind energy resources based in New York. CHPE was not the cheapest project, but it was the *only* project to rely on large-scale hydropower with dammed reservoirs located out-of-State.

A second solicitation that properly values in-state and in-City climate solutions will provide more benefits – including employment, investment, environmental benefits – for both the state's ratepayers and City residents. There is no need to approve CHPE's offer when the State has access to better options that will actually result in transitioning New York City from fossil fuels to renewable energy.

For all of these reasons, the NYC-EJA urges the Commission to pause before it acts with respect to CHPE, and consider the opportunity cost of approving this expensive project that actually decreases the net societal benefit to the state. The Commission can deliver better justice to the communities we represent by not approving the CHPE contract, and instead ordering NYSERDA to run another solicitation that gets better value for the state and for the NYC communities that need those benefits so badly.

Sincerely,



Eddie Bautista
Executive Director