New York State Tier 4 Renewable Energy Awards

New York selects two major green energy infrastructure projects to power New York City with wind, solar, and hydropower from upstate New York and Canada

In November 2021, New York State Energy Research and Development Authority (NYSERDA) finalized contracts for the Clean Path NY (CPNY) and the Champlain Hudson Power Express (CHPE) projects as the result of the State’s first-of-its-kind renewable energy and transmission approach, known as Tier 4.

These transformational green infrastructure and electric generation projects will help to advance New York City’s transition away from fossil fuels and increase resiliency and reliability of the power grid by generating an expected 18 million megawatt-hours of clean energy per year, or more than a third of New York City’s annual electric consumption. When combined with the State’s clean energy pipeline and deployment of offshore wind, CPNY and CHPE will reduce the City’s fossil fuel use by more than 80 percent in 2030, helping to put “Asthma Alley” in the rearview mirror. With these projects, New York has turned the page on the ‘Tale of Two Grids’. This is now the ‘Story of Our Grid’.

If the contracts are approved by New York’s Public Service Commission, these projects will be largest transmission infrastructure developments in New York State in the last 50 years and will significantly accelerate progress to exceed New York’s goal for 70 percent of the State’s electricity to come from renewable sources by 2030 on the path to a zero-emission grid as outlined in the Climate Leadership and Community Protection Act (Climate Act).

TIER 4 AWARDS:
$460 million in community benefit funds
$4 billion in public health benefits
10,000 jobs created
reduced carbon emissions = taking 1 million cars off the road
Clean Path New York and Champlain Hudson Power Express deliver unparalleled benefits

- **Up to $7.4 billion in net societal benefits statewide**, inclusive of greenhouse gas reductions and air quality improvements.
- Realizing approximately **10,000 family-sustaining jobs** statewide with **$8.2 billion in economic development investments**, including in disadvantaged communities, helping accelerate the State’s economic recovery from COVID-19.
- **Commitments to prevailing wage and project labor agreements** to ensure quality, family-sustaining jobs for New Yorkers.
- Investing approximately **$460 million in community benefit funds** to create pathways to green energy jobs, support public health, advance capital improvement projects, realize habitat restoration and improve the environmental footprint of buildings in disadvantaged communities.
- Delivering up to **$4 billion in public health benefits** that will result from reduced exposure to harmful pollutants – including avoided premature deaths, reduced asthma-related hospital visits, and lost workdays due to illness.
- Reducing greenhouse gas emissions by **77 million metric tons** over the next 15 years, the equivalent of taking one million cars off the road.

Clean Path New York and Champlain Hudson Power Express costs

- These contracts will utilize an Index Renewable Energy Certificate (REC) structure to help cushion customers against spikes in energy prices so when electricity prices rise the Tier 4 program costs go down.
- With an expected average Tier 4 REC cost of $28.29 per megawatt hour for both projects, once the projects enter operation, the average bill impact for customers will be approximately two percent, or just over $2 per month.
Next steps

- The two projects and their contracts, including costs and benefits, have been submitted to the Public Service Commission for approval, and are subject to a public comment period that will run through February 7, 2022. The petition and contracts are available on the Department of Public Service’s website under Case Number 15-E-0302, where comments can be submitted.

- If approved by the Public Service Commission, the CPNY project will be required to go through the Article VII permitting process which is managed by the New York State Public Service Commission prior to commencing construction. The CHPE project has already completed the Article VII process.

- If the contracts are approved, NYSERDA payments will only commence for each respective project once the project has obtained all required permits and local approvals, has completed construction, and is delivering power to New York City, which is expected to begin in 2025 for the fully-permitted CHPE project and 2027 for the Clean Path NY project.

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**2021 Project:**

**Clean Path NY**

Developer: Forward Power (a joint venture of Invenergy and energyRe) and the New York Power Authority

**Project at a Glance:**

- A 1,300 megawatt, 175-mile, underground transmission line to begin commercial operation in 2027.
- Delivers nearly 7.9 million megawatt-hours from new upstate wind and solar facilities to New York City annually.
- Uses NYPA's existing Blenheim-Gilboa Pumped Storage Facility to help ensure energy is delivered to New York City when needed.
- Transmission line runs from the Fraser Substation in Delaware County to the Rainey Substation in Queens.
- Proposes to utilize a buried cable using existing rights-of-way to mitigate potential community impact, avoid sensitive habitats along the Hudson River, and be more resilient than above-ground alternatives in the face of severe weather and security threats.

For more information, please visit CPNY's website: cleanpathny.com

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**2021 Project:**

**Champlain Hudson Power Express**

Developer: Transmission Developers, Inc. (backed by Blackstone) and Hydro-Québec

**Project at a Glance:**

- A 1,250 megawatt, 339-mile, transmission line to begin commercial operation in 2025.
- Delivers 10.4 million megawatt-hours of hydropower energy to New York City annually.
- CHPE’s use of hydropower will deliver consistent, baseload energy to New York City, enhancing the reliability and resiliency of the City’s power grid.
- Runs from the Province of Québec in Canada to the Astoria Energy Complex in Queens.
- The fully permitted transmission line is buried underground and underwater.
- Includes purchase of electricity from the planned Apuiat wind farm developed by Innu communities in Québec.
- Partnership with the Mohawk Council of Kahnawà:ke for joint ownership of the line in Québec that will connect to CHPE.

For more information, please visit CHPE’s website: chpexpress.com

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Learn more about the Tier 4 large-scale renewable energy program.
Visit nyserda.ny.gov/tier4