

1 DEPARTMENT OF ENERGY ENVIRONMENTAL IMPACT STATEMENT  
2 PUBLIC SCOPING MEETING

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5 CHAMPLAIN HUDSON POWER EXPRESS, INC.

6 TRANSMISSION LINE PROPOSAL

7 -----

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9 Taken at Holiday Inn, 503 Washington Avenue,  
10 Kingston, New York, on July 13, 2010, commencing at  
11 7:35 p.m.

12

13 BEFORE: JERRY PELL, PhD, CCM, U.S. Department of  
14 Energy 1000 Independence Avenue, SW Washington, DC  
15 20585

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1 P R O C E E D I N G S

2 (7:35 p.m.)

3 BY DR. PELL:

4 Good evening. If we're all ready, I'd like to  
5 start.

6 I'll tell you a little bit about who I am first,  
7 tell you a little bit about myself so you know who the  
8 guy is behind the mic. I'm Jerry Pell, an  
9 Environmental Scientist, and I'm the Project Manager  
10 for this particular project. I've been with the  
11 Department of Energy for 34 years, and the reason I  
12 haven't retired is because I still enjoy meetings just  
13 like this one, and as long as I keep having fun, I'm  
14 not going to retire. I've been doing environment and  
15 energy work of one kind or another for 40 years,  
16 everything from anthracite to wind, including global  
17 warming, and now transmission line projects just like  
18 this one.

19 The proposed project is not a Department of  
20 Energy project. I want that clear from the outset.  
21 The project is proposed to us by Transmission  
22 Developers, Incorporated, of which Don Jessome here is

1 the President, and he will be telling you a little bit  
2 about the project shortly.

3 It requires what we call a Presidential permit,  
4 which is actually a requirement that was initiated  
5 about 50 years ago by a White House Executive Order.  
6 And the permit is required whenever a transmission  
7 line wishes to cross the international border either  
8 from Canada into the United States or from Mexico into  
9 the United States -- and of course in this case, it's  
10 from Canada.

11 When the Federal Government has to issue a  
12 permit or consider issuing a permit, that triggers the  
13 National Environmental Policy Act -- NEPA, as many of  
14 you know, is the abbreviation -- and under NEPA, there  
15 are several levels of environmental review depending  
16 on the project. The Environmental Impact Statement or  
17 EIS, which is the type of review we're doing for  
18 Champlain Hudson, is the most comprehensive,  
19 exhaustive environmental assessment there is, and it  
20 literally embraces the entire spectrum of potential  
21 impacts, good and bad, including issues like  
22 environmental justice, socioeconomic impacts, purpose

1 and need, et cetera -- and alternatives, cumulative  
2 impacts.

3           And that brings me to the reason we're here  
4 tonight. We're having seven of these meetings, of  
5 which this is the third one now. We had one in  
6 Bridgeport, Connecticut, then in Manhattan -- sorry,  
7 this is the fourth one. You lose track after a while.  
8 Yonkers last night, now here in Kingston. Tomorrow we  
9 go on to Albany, then Glens Falls, then finally  
10 Plattsburgh. So what we're trying to do is give  
11 people along the entire route an opportunity to meet  
12 with us and to help us define the scope of the EIS,  
13 and make sure if there are issues that you are  
14 concerned about, that we know about them and include  
15 them in our analysis. So the reason we're here  
16 tonight is to obtain your input as to what we should  
17 be looking at in the content of the EIS.

18           This will culminate in a scoping report -- which  
19 is not actually required by NEPA, but which we do  
20 because I think it's a valuable document -- that will  
21 summarize the comments that we've received during the  
22 seven meetings and during the open comment period

1    which closes on August 2nd. And of course, I'm  
2    expecting that we will be obtaining comments in  
3    writing either electronically or by mail between now  
4    and the August 2nd deadline. It doesn't matter how  
5    your comments come in, whether you speak here tonight  
6    or mail them to me or e-mail them to me, your comments  
7    receive equal weight no matter how they're received.  
8    But that scoping report will summarize the comments  
9    that did come in over the seven meetings. That will  
10   be a public document, it will be on our website, and  
11   if you subscribe to our website mailing list, you will  
12   get a notice advising you that the report is on the  
13   web and is now available.

14           That's essentially the calm before the storm.  
15   The really large product is the draft Environmental  
16   Impact Statement itself, which will come out sometime  
17   thereafter, and that will be the document that now you  
18   can comment on in terms of actually reviewing our look  
19   at the impacts. And there will be a series of meetings  
20   just like this one, but at that time you'll actually  
21   have an opportunity to review our analysis. And those  
22   comments that you provide to us at that point will

1 shape the final Environmental Impact Statement. And  
2 in the process, we also produce a comment and response  
3 document which identifies your comments and how we  
4 dealt with things.

5 So it's an extremely transparent, open public  
6 process. Everything we say and do is available to  
7 everyone else and it's on the Internet and freely  
8 available.

9 So that's basically the essence of why we're  
10 here. I have a list of several people that have asked  
11 to speak, I will take them in order. Then after that,  
12 I will open the floor to anybody who has any thoughts  
13 they wish to add, and we will not adjourn until  
14 everyone has had a chance to say their piece.

15 But first, Don Jessome has some information to  
16 share about the project itself.

17 BY MR. JESSOME:

18 Thank you Dr. Pell. As Dr. Pell mentioned, my  
19 name is Don Jessome. I'm President and CEO of  
20 Transmission Developers, Inc., who is a proponent  
21 looking to develop this project.

22 The project's name is the Champlain Hudson Power

1 Express project. And when we first started to develop  
2 this project, it was a 2,000-megawatt project, 1,000  
3 into New York City and 1,000 into southwest  
4 Connecticut.

5 The first statement I'd like to make is on July  
6 6, we made a public announcement that we were no  
7 longer developing the Connecticut portion of this  
8 line. So the impacts at this point in time are only  
9 with respect to the New York component of the project,  
10 as we're no longer developing the 1,000 megawatts over  
11 southwest Connecticut.

12 So the project is an HVDC or high voltage direct  
13 current transmission project that's interconnecting  
14 Canada to its New York City marketplace, 1,000  
15 megawatts. And just in general terms, 1,000 megawatts  
16 represents approximately a million residential homes  
17 in terms of the energy usage. So it's a fairly  
18 significant project in terms of size. However, to  
19 also put it in perspective, the New York State  
20 marketplace is about 35,000 megawatts in terms of  
21 total capacity, so although it's a large project, it's  
22 one of very many projects that are already in the

1 State of New York.

2 The project is what we call bipole, 1,000  
3 megawatt bipole. There are two cables. Each cable  
4 carries 500 megawatts. The cables are approximately  
5 five inches in diameter. And all the information I'm  
6 providing to you here is available on our website, and  
7 certainly there are information packages over there,  
8 and we have to go through a very rigorous  
9 environmental permitting process through the Article 7  
10 process and Public Service Commission. So all of this  
11 is available and we encourage people to sign up for  
12 our website to get all this information.

13 The cables themselves will interconnect with a  
14 Hydro-Québec's transmission system at the border, it  
15 will come down to the Richelieu River, and the cables  
16 are physically buried in the waterways I'm talking  
17 about. They're buried approximately 3 feet below the  
18 sediment level. They're buried for one reason: To  
19 protect the cables against anchors, and that's the  
20 most important reason we bury them. The two cables  
21 will come down the Richelieu River into Lake Champlain  
22 into the Hudson River. They come down as far as Glens

1 Falls, then we come out of the waterway, still buried,  
2 go onto the CP railway line, and go around the Capital  
3 District and onto the CSX railway line. The reason we  
4 do that is we're avoiding the PCB dredging area that  
5 is in the Hudson River. It's something we're  
6 obviously concerned about from an environmental  
7 perspective, and we found an alternative route and  
8 felt that that was appropriate for that area. We come  
9 back into the Hudson River at Coeymans, down into the  
10 Hudson to Yonkers, where we'll build a converter  
11 station. A converter station just takes AC -- or in  
12 this case, DC power, and converts it back into AC  
13 power. All of the lights and other equipment that we  
14 use today are AC power. And two cables will go out  
15 back down into either a ConEd or a NYPA  
16 interconnection point in New York City. We're  
17 currently studying four different locations where we  
18 can interconnect, but it's narrowing very quickly.

19 That transmission project is a \$1.9 billion  
20 project, and we're actually going to be going out for  
21 bids very shortly in early August to firm up the cost  
22 of the project.

1           You know, a lot of people ask how do we pay for  
2 this project. The easy answer is it's the shippers on  
3 the line, so this is a little different model than  
4 other transmission projects. We actually go out and  
5 find customers who are interested in shipping their  
6 power on our line. So as transmission line developers,  
7 we never actually own the electricity, we simply  
8 transport it. We're like the truck that takes it from  
9 the manufacturing facility down to the retail  
10 customer. We never actually own the electricity in  
11 between. So our job is to have a transmission line  
12 that connects generation to load in a safe, secure,  
13 and environmentally respectful manner.

14           I appreciate the opportunity to hear your  
15 comments this evening, and as Dr. Pell said, I will be  
16 here all evening and happy to take questions once the  
17 formal proceeding is over.

18 BY DR. PELL:

19           Thank you very much, Don. While Don was  
20 speaking, it gave me a chance to think about what else  
21 I might mention to you. A couple of things. There is  
22 a DOE website separate from Don's website which is

1 specifically for the preparation of the Environmental  
2 Impact Statement. And it's in the notice which is at  
3 the registration desk, and I'll tell it to you again,  
4 it's [chpexpresseis.org](http://chpexpresseis.org). All of our environmental  
5 documents will be on that site, and the two sites  
6 actually are linked together, so if you go to one site  
7 you can easily get to the other. That's done  
8 deliberately as a convenience to you so you can see  
9 everything that's out there that's in the public  
10 domain. And our website actually also gives you a  
11 link to the State of New York Public Service  
12 Commission, because the applicant has filed a major  
13 document with the PSC, and this will take you directly  
14 to that site as well. So there's a great deal of  
15 material for you to read, and also there's a link to  
16 our Department of Energy Presidential permit site that  
17 provides the original application that was filed by  
18 TDI for a Presidential permit. So as I said earlier,  
19 it's all there for you to peruse at your convenience.

20 This is not a DOE Environmental Impact Statement  
21 alone. We have four cooperating agencies that are  
22 partners with us in the preparation of the document

1 and that intend to use this same document for their  
2 own regulatory purposes. They include the U.S. Army  
3 Corps of Engineers; the United States Environmental  
4 Protection Agency Region 2, which is headquartered in  
5 Manhattan; and two other State of New York agencies:  
6 the Public Service Commission, and the Department of  
7 Environmental Conservation. So there are five bodies  
8 involved in the preparation of this document. It's  
9 conceivable before too much time elapses that other  
10 agencies could join as well, because the process does  
11 provide for governmental agencies to request  
12 cooperating agency status if they have special  
13 expertise in the subject.

14 So I think that pretty much covers most of the  
15 things I could tell you. Of course, if I think of  
16 anything else, I will do so.

17 Now I'm going to move to the actual presentation  
18 of comments themselves. And the first speaker tonight  
19 is a State Senator from the 42nd District of New York,  
20 John Bonacic.

21 BY SENATOR BONACIC:

22 Thank you. I'll be brief. I want to thank you,

1 Dr. Pell, for coming, and I'd like to thank Mr.  
2 Jessome for being here and making the brief  
3 presentation.

4 I just have a few questions, just so I can  
5 become more educated. We had a bad experience with  
6 the NYRI line, which had eight counties very upset  
7 with hurting property values, blight on the land, and  
8 increasing the energy rates had that project gone  
9 forward. I know that this will not affect property  
10 values, I know it's not going to hurt the blight on  
11 the land. My question specifically was the impact on  
12 utility rates for the people living outside the City  
13 of New York. And I had the opportunity to speak to Mr.  
14 Jessome privately. His generic answer is that there  
15 would be a tendency to be downward, but that is a  
16 decision within the jurisdiction of the Public Service  
17 Commission. So far so good?

18 BY DR. PELL:

19 So far so good.

20 BY SENATOR BONACIC:

21 How did you decide the capacity for this line to  
22 enhance 1 million residents in Manhattan, and what

1 percentage of the City's needs would this cable line  
2 take care of, if you know?

3 BY DR. PELL:

4 Mr. Bonacic, this is not intended to be a Q and  
5 A, but let me add, they are fair questions and they  
6 should be directed to Don Jessome. And like I said,  
7 he's going to be here after the formal taking of  
8 comments is completed, so please avail yourself of  
9 him. I do not have those answers.

10 BY SENATOR BONACIC:

11 Last but not least, I like the idea of hydro and  
12 wind coming out of Canada. Will there always be an  
13 endless supply that this transporting of energy will  
14 always have the capacity to feed the City?

15 BY DR. PELL:

16 Again, I am not familiar with the precise  
17 sources of power that Mr. Jessome hopes to deliver.  
18 Since the sources are in Canada, we do not look at  
19 them in any great detail from my vantage point in the  
20 DOE. Again, that's a fair question and Don's the guy  
21 to answer it.

22 BY SENATOR BONACIC:

1           This may be a stupid question...

2   BY DR. PELL:

3           There are no stupid questions.

4   BY SENATOR BONACIC:

5           When you put a line in the Hudson River, you're  
6   still above the ground, the cable itself, or is it  
7   under the ground under the river?

8   BY DR. PELL:

9           It's submerged beneath the surface except where  
10   there are rock outcrops that cannot be dredged, in  
11   which case they'd place a concrete blanket or  
12   something similar over the cable. The cable is never  
13   exposed, because if it's exposed, then you run the  
14   risk of the cable being snagged by a ship's anchor,  
15   and that would be very serious damage.

16   BY SENATOR BONACIC:

17           So it's protected. Thank you very much.

18   BY DR. PELL:

19           Thank you very much for joining us this evening,  
20   Mr. Bonacic. The next gentleman was also with us  
21   yesterday in Yonkers, Phillip Musegaas. Tell us who  
22   you're with, please.

1 BY MR. MUSEGAAS:

2 I'm here representing Riverkeeper. Thank you,  
3 Dr. Pell.

4 What I'd like to do is give an overview of what  
5 our written comments are going to be focused on. Just  
6 to start, so everyone knows what Riverkeeper is, we  
7 are a member-supported environmental organization,  
8 non-profit organization that has been working for over  
9 40 years to protect the ecological integrity of the  
10 Hudson River and Hudson River Valley and Hudson River  
11 watershed. So, as a result, of course, the proposal  
12 to put the cable in the Hudson River is of great  
13 interest to us.

14 I have four quick comments to make, and these  
15 are basically requests for assessments of these  
16 particular impacts, environmental impacts. The first  
17 one has to do with the alternatives analysis under  
18 NEPA. We would request that the Department of Energy  
19 take a hard look at particularly two aspects of the  
20 alternatives, and the first one is the route of the  
21 cable. We know as Don Jessome described that a  
22 portion of the cable route will be run under the

1 railroad right-of-way to avoid the GE PCB dredging  
2 site, and we would like to have a full examination of  
3 an alternative that looks at running the entire cable  
4 under the land, under the railroad right-of-way,  
5 comparing the environmental impacts of that to the  
6 impacts of running the cable in the river.

7           The second alternative analysis would be dealing  
8 with the converter station location. I believe the  
9 primary proposal is for the Yonkers site to be the  
10 site of the converter station. We would ask that the  
11 alternative of, I believe, the Astoria, Queens  
12 converter station be looked at very carefully.

13           Second, in terms of the disturbance of habitat  
14 in the Hudson River, assuming the primary proposal of  
15 running the cable in the Hudson would go forward,  
16 looking at the disturbance particularly of designated  
17 sensitive habitat for fish species and other wildlife.  
18 The Hudson River has several areas that are very  
19 important ecologically that are designated either by  
20 Federal or State agencies as essential fish habitat or  
21 significant coastal fish and wildlife habitat, and we  
22 know that the cable has to run through some of these.

1 We know that there are some efforts to mitigate some  
2 of the impacts, but we really urge the agency to take  
3 a very, very careful look at the methods that are  
4 going to be proposed for mitigating the impact to  
5 these areas. The Hudson River is a very biologically  
6 diverse and productive area, but fish species are  
7 under great duress. Many fish species are in decline  
8 in the river from a variety of impacts and sources,  
9 and we don't want to see an additional source of  
10 stress and source of disturbance to these sensitive  
11 habitats.

12 Third, we would like to see a complete  
13 assessment of the effects of the dredging itself so  
14 any re-suspension of sediment in the Hudson River,  
15 particularly sediments that contain contaminants like  
16 PCBs and pollution that have accumulated over time in  
17 the Hudson River. You know, there are different types  
18 of dredging techniques that are proposed to be used,  
19 so we'd like to see a kind of a cumulative impact  
20 analysis of all the different dredging techniques, as  
21 well as the laying of concrete matting or other types  
22 of protective covering over the cables in general.

1 And then in terms of the sediments, looking at what  
2 kinds of impacts result from re-suspension settlement.

3 Fourth, we would like to see a full review of  
4 the impacts of once the cable is installed in the  
5 river and operating, the impacts of electromagnetic  
6 fields basically in two areas: one for the HVDC cable.  
7 We know there's not a typical EMF field produced like  
8 there is with an AC cable, but we would still like to  
9 see a full literature review and analysis of if there  
10 are any impacts to fish species, and particularly to  
11 fish migration and fish spawning patterns and habits.  
12 And then, with the section of AC cable that's proposed  
13 for , I believe, the Harlem and East River going from  
14 the converter station to the substation, we would like  
15 to see a full analysis of those impacts as well from  
16 that EMF field.

17 And we will be submitting more detailed  
18 written comments by the August 2nd deadline. Thank you  
19 very much.

20 BY DR. PELL:

21 Thank you very much, Phillip. It's probably  
22 worth mentioning the difference between AC and DC.

1 Your car battery is a DC device, direct current  
2 device. Your flashlight battery is direct current.  
3 Your wall outlet is an AC current device, alternating  
4 current device. The difference is, if you were to put  
5 a voltmeter or gauge on the device, on a direct  
6 current device, the meter would go up to the level of  
7 the voltage and then just continue straight across.  
8 With alternating current, if it were a good enough  
9 meter or oscilloscope, you would see that the current  
10 actually goes in a 60-cycle sine wave. In an altering  
11 current situation, when you do have electromagnetic  
12 fields, in other words, the current does generate both  
13 a magnetic and an electric field. In a direct current  
14 situation, there is no magnetic field generated, but  
15 there does remain an electric field. So I just  
16 thought I'd mention that by way of clarification.

17 Also, with regard to fish and wildlife in  
18 general, I suspect we'll be doing consultations with  
19 the Fish and Wildlife Service specifically on that  
20 subject. We will probably find ourselves doing a  
21 biological assessment, and if that's the case, we will  
22 then request a formal biological opinion from the Fish

1 and Wildlife Service. So this area will be given  
2 appropriate scrutiny.

3 I'd like to move onto Hayley Mauskapf with the  
4 Scenic Hudson.

5 BY MS. MAUSKAPF:

6 Thank you, Dr. Pell.

7 As you said, my name is Hayley Mauskapf, I'm  
8 with Scenic Hudson, and by way of introduction, we're  
9 a 47-year-old non-profit environmental organization  
10 and a separately incorporated land trust. We're  
11 dedicated to protecting and enhancing the scenic,  
12 natural, historic, agricultural, ecological, and  
13 recreational treasures of the Hudson River and its  
14 valley.

15 We understand and appreciate that our future  
16 relies on a shift towards clean, renewable energy, and  
17 for that reason, we believe the proposed project could  
18 possibly have some positive environmental benefits.

19 It could have the potential to help make the  
20 transition to a greater future powered by a more  
21 clean, renewable energy, which could therefore help  
22 improve our air and water quality and avert the

1 consequences of global climate change.

2           However, any project of this magnitude, which is  
3 unprecedented in the Hudson Valley, needs to be  
4 designed and implemented in a manner that's not going  
5 to harm the sensitive Hudson River estuary or the  
6 communities through which the transmission lines will  
7 pass. Therefore, we urge the Department of Energy to  
8 carefully assess the potential negative environmental  
9 effects in the EIS.

10           I'm just going to go over a few of the main  
11 concerns that we have, which we will expand upon later  
12 in written comments. The Hudson River, from Hudson  
13 Falls to Manhattan, has been designated a superfund  
14 site due to the PCBs that were dumped into the river  
15 by GE, and they remain on the river bottom as far as  
16 we know. And the proposed route for the transmission  
17 line as Don said, avoids the area in the upper Hudson  
18 where the dredging has begun and where the  
19 concentration of PCBs is greatest. However, the EIS  
20 needs to address the potential for re-suspension of  
21 PCBs and other contaminants in the mid and lower  
22 Hudson River due to the burying of cable in that

1 contaminated sediment and the process for installing  
2 that cable. While some areas of cable are going to be  
3 buried by methods which might be less likely to  
4 greatly stir up sediment, other areas are going to  
5 need to be mechanically plowed or dredged, which will  
6 significantly increase this risk. The EIS should also  
7 investigate and analyze the method by which TDI is  
8 going to determine which method of burial to use in  
9 which area.

10           The re-suspension of PCBs and other contaminants  
11 would not only affect wildlife and aquatic species,  
12 but also human health. In addition to the  
13 recreational uses of the Hudson such as swimming,  
14 boating, and fishing, there are several communities  
15 that still have drinking water intake along the  
16 Hudson, which includes Rhinebeck, Port Ewen, and  
17 Poughkeepsie.

18           On to effects on sensitive species and habitat  
19 in the Hudson River. We know that the Hudson River  
20 and surrounding tidal wetlands are home to a number of  
21 sensitive species, including species protected by  
22 Federal and State law, including short-nosed sturgeon,

1 Atlantic sturgeon, and the bald eagle. We believe the  
2 potential detrimental effects of the project on  
3 aquatic resources and wildlife need to be thoroughly  
4 evaluated, and especially the cumulative impact of the  
5 installation, the operation, and then later on, for 30  
6 or 50 years of maintenance of the cable.

7 The impact of the siting and installation of the  
8 cable on subaquatic vegetation, the New York marine  
9 habitat, and the riverfront riparian habitat, as well  
10 as a potential for shoreline erosion and the  
11 destruction of wetlands during the installation of the  
12 cable needs to be evaluated. And also the potential  
13 for the installation process to possibly spread to  
14 some of the invasive species that we've seen over the  
15 past several years.

16 BY DR. PELL:

17 Excuse me, Hayley, let me interrupt. What  
18 water-based species are at stake here?

19 BY MS. MAUSKAPF:

20 The zebra mussel is one that I know of off the  
21 top of my head, and I know there are a couple of  
22 aquatic plant species whose names I don't remember,

1 but we will be listing them specifically in our formal  
2 written comments.

3 BY DR. PELL:

4 Thank you. Great.

5 BY MS. MAUSKAPF:

6 Also one thing we're particularly concerned  
7 about would be would be what would amount to the  
8 permanent alteration of the habitat in those areas as  
9 we mentioned where concrete matting will have to be  
10 placed over the cable rather than having it buried.

11 We also urge that the EIS evaluate how the  
12 electromagnetic field and thermal effects of the cable  
13 might affect the sensitive aquatic species, especially  
14 including the segment of the alternating current  
15 downstream from the converter station. The  
16 electromagnetic field and thermal impacts specifically  
17 on fish migration and spawning behavior should be  
18 analyzed, as well as the impact on benthic organisms  
19 and shellfish, as their habitat is obviously much  
20 closer to where the cable will be buried.

21 We also urge that the EIS thoroughly evaluate  
22 the potential of the alternative routes, including the

1 alternative land routes, and whether any of these  
2 alternative routes might further mitigate  
3 environmental impacts to an extent more than what has  
4 been the chosen alternative.

5           It's important that the EIS identify that on any  
6 particular segment of the river. Depending on the  
7 characteristics of the soil, geology, and aquatic life  
8 in that particular segment of the river, the cable  
9 should be strategically sited at such a depth and in  
10 such an area in that segment where it would have the  
11 minimal environmental impact as opposed to simply  
12 putting it either in the shortest route or the easiest  
13 route.

14           So we hope these comments will inform the  
15 Department of Energy EIS on this project, and that the  
16 EIS will then allow Scenic Hudson and other  
17 intervening and interested parties to better  
18 understand the potential impacts of the project.

19 Thanks for the opportunity to provide comments, and we  
20 will be submitting the formal written comments by  
21 August 2nd.

22 BY DR. PELL:

1           Thank you, Hayley. We'll be looking forward to  
2 your comments. I appreciate your being with us  
3 tonight.

4           The next speaker is William Ovenstone.

5 BY MR. OVENSTONE:

6           Since the other people already mentioned what I  
7 was going to talk about, it doesn't leave me much to  
8 say.

9 BY DR. PELL:

10           I have every confidence in you.

11 BY MR. OVENSTONE:

12           There are legal questions involved in a right-  
13 of-way for people who own property on the river and  
14 boatyards. In other words, you got a cable that's  
15 nearby, will they have to pay the company for the  
16 right to drive a boat over the cable that may be near  
17 their property on the water line or boatyard, or do  
18 they have to pay an annual fee to the company or  
19 whatever?

20           Another thing that strikes me as strange is we  
21 have tons of power transmission lines all over the  
22 place. Why can't we upgrade a few of them instead of

1 playing around with the Hudson River? It's also a  
2 little crazy because the entire length of the Hudson  
3 River is an ancient earthquake fault, so let's work  
4 with the transmission lines that we have and leave the  
5 Hudson River alone.

6 The Hudson River is our friend. I live a mile  
7 away from there. Thank you.

8 BY DR. PELL:

9 Thank you, Mr. Ovenstone. You'll be pleased to  
10 hear we do look at seismic potential impacts and  
11 geology and quakes, and those kinds of things will be  
12 in the EIS to review.

13 I'd like to move on now to Mr. David Laudenheim.

14 BY MR. LAUDENHEIM:

15 I will be sending in written comments.

16 BY DR. PELL:

17 Thank you. Jurgen Wekerle, and he's with the  
18 Sierra Club.

19 BY MR. WEKERLE:

20 Good evening, Dr. Pell. My name is Jurgen  
21 Wekerle, I'm conservation chair of the Ramapo-Catskill  
22 group of the Sierra Club.

1           The Champlain Hudson Power Express is a very  
2 impressive project. It stands alone from traditional  
3 applications since it is a long distance transmission  
4 cable only. As Senator Bonacic mentioned earlier, it  
5 is very similar to the NYRI project, which was a power  
6 line on towers, but it was the same principal. It  
7 does not generate or produce electricity, nor does it  
8 serve as a utility which distributes electricity to  
9 retail customers. This presentation is a classic  
10 example of segmentation, and that is something that  
11 the whole NEPA and the Article 7 process should  
12 acknowledge and should be a little bit more careful in  
13 terms of the source of the electricity and the end  
14 users of that electricity. The project takes no  
15 responsibility for the supply, for the reliability,  
16 for the need, or for the end use of that electricity.

17           It is the cumulative environmental, social,  
18 economic, public cost impacts that will both drive  
19 this project and will be driven by this project that  
20 must be examined by the EIS, not just the construction  
21 aspects in isolation of the total picture.

22           The EIS must establish whether a need actually

1 exists for the new source of supply to the New York  
2 City/North Jersey metro region. NEPA and Article 7  
3 both require a declaration of public need and the  
4 taking of a hard look at a full range of alternatives  
5 to any added supply. If there is no need, the no  
6 action option should prevail.

7 As late as April of this year, the New York  
8 State Independent Systems Operators, the outfit  
9 comprised of all merchants in the field that govern  
10 the distribution of electricity throughout New York  
11 State, indicated that there was no existing or  
12 anticipated need for electricity in New York State  
13 during the next ten-year planning cycle.

14 New York ISO has declared, however, that the  
15 priority goal for New York State is to upgrade the  
16 existing substation and distribution system of each  
17 utility and to modernize the regional grid.

18 The EIS must evaluate the results of efficiency.  
19 An example is a closing of a plant in Rockland County  
20 further downstream on the Hudson River. During the  
21 spring of '07, the Mirant-owned Lovett coal fired  
22 power plant located on the Hudson at Stony Point was

1 under a consent decree to upgrade the emission system.  
2 Instead, Lovett and Mirant petitioned to be  
3 decommissioned. Due to the fact that the Orange and  
4 Rockland Utilities reconstructed a major local  
5 substation and power line, efficiencies were created  
6 which made up for the loss of the Lovett power  
7 production in its totality -- just the efficiency  
8 alone. The request was granted by the Public Service  
9 Commission for decommissioning, and the plant has  
10 since been deconstructed and dismantled.

11 The EIS must evaluate recent additions to the  
12 supply, such as the cable under Long Island Sound from  
13 Connecticut to Suffolk and Nassau Counties, and the  
14 cable across New York Harbor from New Jersey to Long  
15 Island.

16 The EIS must evaluate the current projects in  
17 advance planning on the books here in New York right  
18 as we speak, which also probably have no need as I'm  
19 describing this scenario. But there they are in  
20 competition, so to speak. The Cross Hudson cable from  
21 north Jersey to mid Manhattan, the 49th Street ConEd  
22 station, has been on the books for a generation now,

1 has never been constructed, will get fast-tracked when  
2 the time comes, because there has been no need. The  
3 time has not been right. It's ready to go.

4 The Transco gas pipeline extension through north  
5 Jersey to lower Manhattan, that's in the pipeline so  
6 to speak.

7 The 1,000-megawatt Cricket Valley Power Plant in  
8 the Town of Dover across the Hudson just east of us  
9 here near the Connecticut border, that gas-generated  
10 power plant will feed into the ConEd transmission line  
11 that leads to the Bronx.

12 The 630-megawatt competitive power venture power  
13 plant in the Town of Waywayanda outside of Middletown  
14 in Orange County that will feed into the Marcy-South  
15 power line.

16 The 63-megawatts to be generated from existing  
17 New York City reservoirs in the Catskills.

18 Cumulatively, there's an awful lot of  
19 electricity that's needed above and beyond the  
20 estimates of no additional need by ISO. All of the  
21 projects I just mentioned use existing transmission  
22 infrastructure with little or no additional expense to

1 create new transmission lines.

2 The EIS must evaluate the applicant's own New  
3 England project, the Maine Express, I believe it's  
4 called, which will transport the same sources of  
5 Québec-generated electricity by back cable to Boston  
6 and to the New England ISO. Also, the ability of  
7 sharing that electricity with the New York State ISO  
8 must be evaluated and detailed in the EIS.

9 The EIS must examine the full range of demand-  
10 side initiatives from improved building codes and code  
11 enforcement to smart meters, which include the simple,  
12 really dated time-of-day meters to the fully digitized  
13 systems that are planned.

14 The current heat wave in New York City is  
15 another example where ConEd has arranged through radio  
16 transmission to cut back on major building central air  
17 conditioning systems to reduce the need for the  
18 overloads, and again, that's where the problem has  
19 been identified. The overload within the  
20 distribution, within the city limits from substations  
21 to the neighborhood distribution to the consumer.

22 The EIS must evaluate alternate supply from

1 renewable sources such as programs funded by NYSERDA,  
2 the New York agency, including household solar and  
3 wind net metering projects for residences, and now  
4 that's been expanded for commercial property.

5 The issues of cogeneration, which are coming  
6 online, are getting special subsidies that -- that's  
7 from heat, will produce electricity for many  
8 generators -- also has to be looked at.

9 Several routes are proposed for this cable. The  
10 EIS must describe the role of eminent domain in  
11 acquiring the properties for those routes.

12 Sources of electricity. The applicant states  
13 that electricity to be transported will be renewable,  
14 which is related to its U.S. government-funded  
15 subsidy. During a prior presentation -- actually, I  
16 think it was right here in this very room earlier this  
17 spring -- the applicant indicated that the sources  
18 would be both hydropower and wind power. The  
19 hydropower would be from the Hydro-Québec lower  
20 Churchill Falls project yet to be constructed. The  
21 wind power would originate from wind turbines in New  
22 York State, with power being wheeled north across the

1 Canadian border and east to the Hertel substation  
2 outside of Montreal, and then south to the project's  
3 cable connection as described earlier.

4 The EIS must detail the sources of electricity  
5 and evaluate if they really are a net renewable eco-  
6 friendly source. Dams are yet to be built and forests  
7 are yet to be cleared and flooded. What effect will  
8 the loss of forest and habitat have on increasing  
9 greenhouse gases and on the wildlife to be displaced?  
10 What is the chance that methane and other climate  
11 changing chemicals will be introduced into the  
12 atmosphere as a result of the flooding? The  
13 hydropower is to be generated from artificially  
14 created reservoirs, not streams and rivers.

15 BY DR. PELL:

16 Excuse me. Do you have a great deal more? I'm  
17 afraid of being unfair to the other speakers.

18 BY MR. WEKERLE:

19 I could stop, and when everyone else is  
20 finished, I could pick up.

21 BY DR. PELL:

22 Let me ask you this, were you planning to submit

1 written comments?

2 BY MR. WEKERLE:

3 I can submit written comments, yes.

4 BY DR. PELL:

5 Because I think it's very useful to have a  
6 transcription of your comments. Let me give you a few  
7 more minutes. If you could perhaps skim over what  
8 you've got or summarize the rest of what you've got,  
9 that will be appreciated. Then whatever you submit in  
10 writing, you can make it as long as you want.

11 BY MR. WEKERLE:

12 Just to shorten this one here, the factor of  
13 reservoirs and the high evaporation rate, how reliable  
14 can we depend on that form of electricity in the  
15 middle of summer and drought conditions when the water  
16 flow is lowest and the demand is highest? A cost  
17 benefit analysis must also be included in the EIS.

18 The applicant stated that a fast-track permit  
19 approach process is requested not just to supply the  
20 required demand, but to obtain U.S. government  
21 economic stimulus subsidies. All the subsidies have  
22 to be looked at from Federal, State, and local

1 government, including county and municipal government  
2 agencies which provide tax abatements, interest free  
3 loans, and property tax exemptions.

4 Construction issues. The construction of the  
5 cable under water appears to have been carefully  
6 considered, avoiding the GE PCB dredging in the Fort  
7 Edward to Troy vicinity is a very good example.

8 However, hot pockets of PCB accumulation from the full  
9 length of the Hudson River exist, as well other buried  
10 pollutants such as cold tar deposits from electric  
11 utilities which produced coal gas from another era.

12 The EIS must document those deposits and also evaluate  
13 the consequences of riverbed channeling, especially in  
14 the active, dynamic tidal river as is the Hudson. The  
15 underwater shifting of channels are akin to shoreline  
16 wave action and the shifting beach dunes. The Army  
17 Corps of Engineers took that into consideration when  
18 they were going through the review process of the PCB  
19 dredging.

20 BY DR. PELL:

21 You know that they're a cooperating agency with  
22 us, and I assume that they're going to be looking at

1 these things very carefully.

2 BY MR. WEKERLE:

3 And it's one of those things that we overlook  
4 because no matter how well this is buried, the channel  
5 moves. And it can be unburied, it can expose other  
6 pollutants, and the comments earlier about the re-  
7 suspension of pollutants is important. And what was  
8 discovered were these hot pockets right to the  
9 Atlantic ocean of PCBs that accumulated from the Troy  
10 Dam area.

11 BY DR. PELL:

12 We'll be sure to look at that. I do have a  
13 question for you. I'm not sure I'm familiar with the  
14 NYRI project. Is that the New York Regional  
15 Interconnect?

16 BY MR. WEKERLE:

17 Yes, it is. It's NYRI. And the similarity is  
18 post deregulation is a whole new era of evaluating  
19 electricity projects. Once a separation from  
20 generation to the distribution by utilities took  
21 place, that took a while to digest. A project like  
22 this is a transmission only, and that creates a unique

1 problem in how do we actually handle this and what are  
2 the responsibilities of the applicant. And it creates  
3 that kind of a segmentation where nobody's really in  
4 charge of the cause and effect, and we're dealing with  
5 the middle part of the project. Value that it has, it  
6 can't be really and truly evaluated until the entire  
7 cause, transmission, and effect are also taken into  
8 consideration.

9 BY DR. PELL:

10 Thank you very much. I'll look forward to your  
11 written comments.

12 I should make a couple points in clarification  
13 in response to some of the things that Jurgen raised.  
14 There are no Department of Energy or other Federal  
15 subsidies involved in this project per se. The  
16 company has applied to another office of the  
17 Department of Energy independent of mine, to the Loan  
18 Guarantee Program Office for a loan guarantee that  
19 employs monies from the ARRA, American Recovery and  
20 Reinvestment Act. That application of that review  
21 process is totally separate from the Presidential  
22 permit process that I'm representing here tonight.

1 There is an overlap in that they will be interested in  
2 our Environmental Impact Statement for their own  
3 purposes if they decide to go forward with considering  
4 the application, but there are no subsidies involved,  
5 so I just wanted to make that clear.

6 And again, I reiterate what I said earlier. This  
7 is not a Federal government or Department of Energy  
8 project. It is a private sector investment by a  
9 private sector entity, Transmission Developers, which  
10 is headquartered in Toronto, Canada.

11 I'd like to now call on Randolph Horner.

12 BY MR. HORNER:

13 Thank you. First of all, Dr. Pell, I would like  
14 to correct a couple of misstatements made by Mr.  
15 Jessome just for the sake of clarity in the record.  
16 This is a one-gigawatt project as it's now been  
17 downsized, and Mr. Jessome said that's about a million  
18 households. Just as a matter of common sense, that  
19 would be about ten conventional light bulbs or one  
20 small hair dryer per household. It would be more apt  
21 to say this is about 250,000 households at four  
22 kilowatts per household.

1           Additionally, notwithstanding my ardent support  
2 for Scenic Hudson, I believe the comments made were  
3 apt, but I would note that there is no assurance --  
4 and all of my remarks have to do with scoping, please  
5 interpret them as urgently requesting that these  
6 matters be thoroughly looked into because this is a  
7 scoping hearing. But although this has been  
8 represented to be a renewable energy related project,  
9 actually, merchant transmission projects are  
10 indifferent to the source of electricity as we just  
11 heard from the Sierra Club. In fact, the proponents  
12 have admitted that these resources do not now exist as  
13 we just heard in the previous presentation. So to  
14 characterize this with all respect to the fact that we  
15 want more renewable energy, more greenhouse gas  
16 abatement, more global warming abatement -- and I'll  
17 relate this remark to the core of the scoping document  
18 as I see it -- but notwithstanding the fact that we  
19 want these things to happen, because the resources do  
20 not now exist, there is no assurance whatsoever that  
21 whatever the source of the investment, once this  
22 merchant transmission facility is constructed, it will

1 be able to transmit the dirtiest of power as well as  
2 the cleanest of power. There will be an overwhelming  
3 necessity to obtain tariffs or revenues from  
4 transmission in order to repay the financing.

5 As to the matter of financing, this proponent  
6 has made it quite clear. I will not say that this  
7 project has been rushed ahead to try to make an  
8 inappropriate access to the 1705 loan guarantee.  
9 However, whatever the circumstances, the 1705 was  
10 designed to stimulate job creation and reinvestment in  
11 the American Reinvestment and Recovery Act. The  
12 intention is that those funds, even when they are loan  
13 guarantees -- which are, Dr. Pell, with all respect, a  
14 very important subsidy -- those loan guarantees place  
15 the faith and credit of the United States government  
16 behind the borrower, in this case, a foreign borrower,  
17 even though I have the warmest of feelings to our very  
18 fine neighbor to the north, and I have extensive  
19 business involvement with Toronto and other  
20 enterprises in Canada and I'm very fond of those  
21 connections. Nevertheless, we're talking about 1705  
22 loan guarantees, and it is impossible, since these

1 intentions have been made clear by the proponents,  
2 it's impossible to separate those issues.

3           So driving in the interest of time to the core  
4 issue, the core issue is that, loving the river as I  
5 do, concerned with the benthic environment as I am,  
6 the real issue is, why will this arguably unneeded  
7 facility be constructed with what is tantamount to  
8 American taxpayer subsidy in the form of loan  
9 guarantees, when it is itself uneconomic? We're  
10 taking the proponent at its word that this will be a  
11 \$2 billion project, give or take, to create one  
12 gigawatt of transmission capacity, not one gigawatt of  
13 generation.

14           We in the beneficiary area -- the goal, the  
15 target, metro New York -- we, for merely three times  
16 this investment per watt, at small scale, we can  
17 create distributed generation on-load on-site, making  
18 tens, maybe even hundreds of thousands of new jobs in  
19 the manufacturing, in the installation sector for New  
20 York. If there's any appropriate application of a  
21 1705 loan guarantee, that would be it. Leaving aside  
22 whether the applicant goes forward to attempt to

1 obtain these loan guarantees, the project is itself  
2 uneconomic, because when we move to utility scale,  
3 we're already able to create solar energy generation  
4 on-load on-site for in the neighborhood of \$4 a watt,  
5 electricity on-site for only twice what this facility  
6 would cost to capitalize before it has to obtain the  
7 energy from off our shores, pay for the energy  
8 charges, and then pay the transmission tariff. So  
9 this project, besides the excellent comments that were  
10 made by the Sierra Club about the fact that there is  
11 no need, and many other projects including energy  
12 efficiency and demand-side measures are in play at  
13 this moment reducing the load in metro New York.  
14 Finally, a 9-plus gigawatt solar development  
15 opportunity has been identified, not by wild-eyed  
16 visionaries, but has been articulated by ConEd's  
17 Director of Strategic Planning herself at the recent  
18 New York City solar summit.

19           So the point I'm making is that the scoping  
20 document must rigorously take not only a hard look,  
21 but dig very, very deeply into the way in which this  
22 proposed project would undercut and undermine the

1 infant renewable energy industry in the State of New  
2 York, which we intend to grow into a major force.

3           And finally, this is not timely. The reservoirs  
4 that would provide additional Hydro-Québec power to be  
5 introduced into this merchant transmission facility do  
6 not now exist, as has been freely admitted by the  
7 proponents and has been reiterated in tonight's  
8 hearing. Between now and 2015, we're dealing with a  
9 stated goal of the State of New York to reach 45 by  
10 '15. That's 30 percent renewable energy when we only  
11 have about 18 at present, and about a 15 percent  
12 efficiency reduction. So over the same period of  
13 time, when scarce and valuable resources -- including  
14 the regulatory and review efforts of the Public  
15 Service Commission, the United States Department of  
16 Energy, and all the other concerned agencies -- during  
17 the same period when we seek to mobilize our resources  
18 to make many, many thousands of jobs and real economic  
19 development that's sustainable and useful, during that  
20 same period of time, we could first be taken up with a  
21 lengthy proceeding for this questionable project, and  
22 then see it take up a great deal of attention when we

1 need to be building renewable energy and energy  
2 efficiency resources on-site in the five boroughs of  
3 New York where the path is clearly ahead of us.

4           So I would say with all respect to all of our  
5 colleagues here tonight, the most overwhelming  
6 environmental consequence is that actual sustainable  
7 action to ameliorate the global warming problem, to  
8 increase our independence from imported oil -- we're  
9 not going to increase that independence by buying  
10 foreign electricity, that's just a different sort of  
11 overseas expenditure -- real progress along these  
12 lines needs to be made by concerted action. And in  
13 the case of a 35-gigawatt ISO, even if this project  
14 had any measure of success -- and I believe that this  
15 Environmental Impact Statement must rigorously  
16 investigate all the things that have been cited here  
17 and at other hearings -- even if this project were  
18 successful, it would not generate one single kilowatt  
19 hour of electricity, it will merely transport  
20 electricity, and the amount of electricity it imported  
21 would be less than 3 percent of the New York ISO.

22           So thank you for the opportunity to address

1 these remarks to the issue of a thorough comprehensive  
2 and effective scoping.

3 BY DR. PELL:

4 Thank you very much, Randolph.

5 A couple thoughts that came to my mind while I  
6 was listening to you. First of all, you might wish to  
7 consider submitting your remarks about the loan  
8 guarantee application to the Loan Guarantee Program  
9 Office, where it would be much more relevant than the  
10 process that I'm involved in.

11 The other thing too is, you probably know this,  
12 but for the benefit of some of the others here, the  
13 project has to go through a very lengthy series of  
14 permitting requirements, not just the Presidential  
15 permit. The Presidential permit would actually be the  
16 least of it. One of the things the project has done,  
17 and Don, correct me if I'm wrong, but I believe you've  
18 been before the Federal Energy Regulatory Commission,  
19 FERC, and received favorable review from FERC and also  
20 state and local Public Service Commissions -- and as I  
21 mentioned earlier, the Public Service Commission is a  
22 cooperating agency.

1           There are a lot of hurdles for Don to cross  
2 before the project can be built, so those of you who  
3 have views you wish to see expressed, you have many  
4 outlets for those views within the confines of your  
5 own state and local governmental structure.

6 BY MR. HORNER:

7           Dr. Pell, as I mentioned during my remarks, that  
8 takes up a great deal of regulatory and review  
9 capacity. What we really need to be doing is building  
10 a sustainable energy system for the State of New York,  
11 for the northeastern region, and the United States of  
12 America.

13 BY DR. PELL:

14           I'd like to believe that one does not  
15 necessarily displace the other, but thank you.

16           Let's move on now to Geddy Sveikauskas. You're  
17 with Ulster Publishing Company, are you not?

18 BY MR. SVEIKAUSKAS:

19           That's correct. Mr. Jessome was kind enough to  
20 talk to me a couple months ago when the project was a  
21 little bit different, and I've had some time to  
22 reflect on it. I very much appreciate what the other

1 people have said and your willingness to listen to it  
2 all. You're a patient man.

3 I think the question of demand studies is at  
4 least one central core to what we're talking about  
5 here. I have seen in recent days these full page  
6 advertisements from Indian Point where they talk about  
7 the importance of what they supply to megawatts to the  
8 New York City area, and I notice particularly the  
9 statement, "And no one else has proposed an  
10 alternative that would do the same thing." Now that  
11 just isn't congruent with what Mr. Jessome is saying  
12 and what the gentleman said about the various projects  
13 that are in different parts of the pipeline. The  
14 possibility of Canadian power has been kind of a holy  
15 grail in this state for something like 30 or 40 years,  
16 and if it's still a good solution, I think there's  
17 much to be said for finding a way to do it.

18 In addition, as you know, New York City has been  
19 increasing in population every year more than probably  
20 double the population of Kingston, about 40,000 a  
21 year. We don't know if this pace is going to  
22 continue, but there are -- people's predictions are

1 based on so many factors that the predictability of  
2 demand seems to be very difficult to do. So some  
3 people focus on the solar power being the solution,  
4 others talk about that it's not the amount of power  
5 but how to get it to the City, et cetera and so on,  
6 and the bottom line is that the scoping document has  
7 to contain some kind of analysis bringing in all those  
8 factors: The economic, the demographic, the nature of  
9 New York City, what's likely to happen in new energy,  
10 our desires, the State energy plan, and other things.  
11 It's clearly a very complex analysis and requires a  
12 lot of research and work. The second thing that has  
13 been said about this project that I think is important  
14 is, of course, the environmental impact. I only  
15 mention this because nobody else has yet. But  
16 apparently, projects using direct current are quite  
17 numerous in other continents and places, and by now,  
18 there should be quite a record of what the  
19 environmental consequences are of these projects. And  
20 I would like to see part of what the Energy Department  
21 is going to do, a real search of the literature, both  
22 of the projects all over the world that use direct

1 current and studies about the environmental  
2 consequences. I think that's pretty important.

3 Third and finally, this cable is kind of a --  
4 it's a complex thing in terms that, as you know, it  
5 seems sort of free in that it uses the bottom of a  
6 body of water which is invisible. And the  
7 consequences of it, of doing that, kind of always seem  
8 to come up over time. And the question is who should  
9 be responsible for those consequences. There's  
10 something about looking at when cable was laid after  
11 the Civil War to Europe -- in Europe and the United  
12 States -- and the history of that was fascinating.  
13 And as you know, some of the early cables were rather  
14 primitive and broke, et cetera, et cetera, and there  
15 is a huge -- and there's still environmental  
16 consequences of them finding pieces of cable in  
17 various places. So I think it's important that part  
18 of the indirect cost of this project would be to  
19 include all the possibilities. If, for instance, the  
20 cable is disturbed by dredging, what are the  
21 consequences of that, who should pay? Does that go to  
22 court for ten years, or is that clear from the

1 contract at the very beginning who's responsible  
2 financially?

3           There are things like not only the dredging and  
4 other forms of cable disturbance, but really the  
5 interruption of the power for whatever reason. We  
6 tend to get dependent and take for granted things that  
7 perhaps we shouldn't, and it seems to me, all things  
8 being equal, that it's better to have more sources of  
9 power and projects that provide power as long as I  
10 don't have to pay for it.

11           And the Blackstone Group, which is or was  
12 connected, is not lacking in financial capacity and  
13 ability to calculate risk. And if they want to take a  
14 bet on something, which is a good form of insurance  
15 for our society, economic, et cetera, I think it's  
16 certainly worth looking at as long as the contract  
17 makes sure that it's not a free ride for the  
18 developer.

19           Thank you very much.

20 BY DR. PELL:

21           Geddy, thank you very much. I appreciate that.

22           Geddy is the last person who has signed up, so

1 now it's open mike. Anybody who would like to  
2 contribute? Yes, ma'am. Please come to the mike and  
3 tell us your name.

4 BY MS. SANDERSON:

5 June Sanderson, I live in the Town of Clinton 20  
6 minutes from here. And I really -- I'm so happy I  
7 came to hear more than I would be reading in the  
8 newspaper.

9 My initial impression of this is renewable,  
10 hidden, not disturbing the landscape, wonderful. More  
11 issues came up, but I'm going to direct my comments,  
12 which might not on the surface be related, but we care  
13 about it. And it relates to what Senator Bonacic  
14 mentioned was utility rates, specifically electricity  
15 rates. Can you imagine how we felt here in the Hudson  
16 Valley when Central Hudson increased their rates  
17 because of conservation? That gets right down to the  
18 issue that we all care about, and it just isn't fair.  
19 On the other hand, the good part of what we're here  
20 tonight about is that we're not in China, and we do  
21 care about input, and we do care about the  
22 environment, and there are hints from the speakers of

1 unintended consequences.

2 So you've seen both views from me and let's say  
3 almost everyone here is grateful for Central Hudson's  
4 relatively low rates, but if you don't encourage  
5 conservation, we're going in the wrong direction.

6 Thanks.

7 BY DR. PELL:

8 Thank you. Anybody else like to speak? Yes,  
9 sir. And then the lady behind you I believe also  
10 wanted to speak. You'll be next.

11 BY MR. SANDERSON:

12 This is a quickie. I'm George Sanderson from  
13 the same place, Clinton, across the river.

14 One thing I would like to find out somewhere  
15 along the line is what's the end gain/loss of power in  
16 the transmission line so that you can essentially  
17 compute from that what the local temperature rise  
18 might be, and also the same number including the two  
19 up and down converter stations at each end so we note  
20 the efficiency?

21 BY DR. PELL:

22 Thank you very much. That's actually an

1 interesting question because one of the reasons DC is  
2 popular for long distance transmission is because  
3 there are lower losses than AC. You're absolutely  
4 correct. Any time you pass current through a wire,  
5 there is warming, and it is something we will be  
6 looking at, yes.

7 BY MS. TILLOU:

8 Hi, I'm Sondra Tillou from Kingston. I  
9 appreciate everyone's comments and your presentation  
10 here and the concern we have around our energy usage  
11 and our production.

12 I'm glad I came tonight because I had been  
13 thinking I would pull for anything that supported  
14 getting more alternative energy into anything, and I  
15 appreciate having to go home and think about -- I also  
16 thought there were already things on the bottom of the  
17 river doing this, and I guess not, and obviously, you  
18 guys have to figure out a lot of stuff.

19 I hope that image of what's going on in the Gulf  
20 is in everyone's mind of how stupid we get around what  
21 we intend to do if something goes wrong. We have  
22 pulled too many years to get this river cleaned up. I

1 grew up on this river, everybody here I bet grew up on  
2 this river. We watched it be beautiful, we watched it  
3 become polluted, and it's been hard to get it back.

4           If as it's been said we don't need this project  
5 or we don't need it from Canada, or why can't we get  
6 it from our own rooftops, I'm all for anything.  
7 Having failed to cash my rebate check during Bush's  
8 administration because I didn't want to participate, I  
9 am going to send it back and ask for a little  
10 converter box. I always thought, why a check? Why  
11 not something to help us get going? It's not the big  
12 projects. That's up to you guys. But as he was  
13 saying, on-site, right here, I want my car wheels  
14 spinning to make electric that feeds into a line on  
15 the road. How come that isn't happening?

16 BY DR. PELL:

17           Thank you very much. By the way, Geddy, I meant  
18 to mention, there is a large body of documentation on  
19 high voltage DC transmission, and it's been very  
20 common and popular in the European countries. And so  
21 yes, you are right, there's a lot of material to  
22 review.

1           Was there someone else wanting to speak? Yes,  
2    sir.

3    BY MR. VOGEL:

4           Hi. I'm Kenneth Vogel from Plattekill, New  
5    York.

6           Taking an assessment of what I've heard so far  
7    tonight and what I've heard pretty much since energy  
8    prices increased in 2007, and having been in the  
9    construction business since the early '80s, that I've  
10   always seen these kind of scoping hearings for the  
11   likes of pro-developer and the environmentalist. And  
12   what I've seen today is actually a pro/pro, and what  
13   I've and seen since 2007, which is a hard way to put  
14   this, but it was more like environmentalist against  
15   environmentalist rather than environmentalist against  
16   the developer.

17           There being, as you heard, as many concerns  
18   about the environment, it's still a product utility.  
19   It seems like that's not the issue. What I've seen  
20   tonight also, and I'm guessing at this one, but the  
21   gentleman mentioned about a line that didn't get built  
22   between New Jersey and New York City.

1 BY MR. WEKERLE:

2 It's in the wings.

3 BY MR. VOGEL:

4 That sort of goes along the lines of other  
5 things that I've heard, that it seems more of an issue  
6 of crossing borders: For example, US and Canada, New  
7 York and New Jersey, New York and Connecticut. That  
8 may be one of the reasons why you got this one line  
9 instead of the offshoot, it's more of an issue than it  
10 is the actual building of it.

11 BY DR. PELL:

12 I don't know if you realize just what an  
13 important energy issue you just mentioned, because I'm  
14 talking about not this project now but in terms of  
15 national power grid improvement and modernization.  
16 One of the biggest issues we have in the Department of  
17 Energy is the concept of regional transmission line  
18 planning. Communities in general have a great deal of  
19 concern about transmission lines that pass through  
20 their neighborhoods or pass through their states or  
21 counties and don't deliver power as they pass through,  
22 and yet the lines do have a certain amount of

1 environmental concerns for those people even though  
2 they don't get any benefit from it. This is a very  
3 difficult issue. There are no easy answers to this  
4 issue. I'm certainly not going to propose an easy  
5 answer. But it's a major concern because inevitably,  
6 in final analysis, when you look at the continental  
7 United States, the lower 48, you look at it as a  
8 whole. There are vast areas with terrific wind and  
9 solar power capacity not near the people that will use  
10 it, and the only way to get from point A to point B is  
11 a straight line, and that straight line has to pass  
12 through areas where people are concerned. And anyone  
13 that has any suggestions, we sure appreciate hearing  
14 them, because this is an age old policy issue and, as  
15 I said, no simple answers. I know there have been  
16 several attempts in Congress. We've made several  
17 attempts. As you know, my office has issued a  
18 National Interest Energy Transmission Corridors of  
19 concern for designation in the northeast and the  
20 southwest, and they have been very controversial --  
21 the NIETC, it's been called. So thank you for  
22 mentioning that because it's worth hearing about, it's

1     worth speaking about.

2             Would anybody else like to speak?   Okay.  Yes,  
3     sir.

4     BY MR. McCABE:

5             Michael McCabe from Kingston, New York.

6             I don't understand a lot about this.  This is  
7     the first time I've been to something like this, and I  
8     understand all the environmental concerns and they do  
9     concern me, too.  But one thing I haven't heard of,  
10    from what I've been reading on, it looks like this  
11    transmission line will either follow public land or  
12    very specific private land, being the railroad right-  
13    of-way.  So I don't know how that works in terms of  
14    taxation for the communities it goes through.  I would  
15    assume if it's running down the middle of the river,  
16    the adjacent city's probably not getting anything out  
17    of it.  However, is there a taxation base along the  
18    railroad right-of-ways?  I don't know how that works.  
19    My point being is that even though it is on a railroad  
20    right-of-way, there will be impact to the villages and  
21    townships that it goes through, whether it's street  
22    crossings, or you mentioned the bridges, any kind of

1 culvert work, any of that kind of stuff. So I'm just  
2 wondering anywhere where it affects the towns, outside  
3 of the initial cost of building it, is there any  
4 maintenance or any services that the localities have  
5 to take care of, do they do it on their own, is that  
6 being funded by the company that puts the line in?

7 Thanks.

8 BY DR. PELL:

9 Thank you very much. Those are interesting  
10 questions. Once we adjourn, you may want to ask Mr.  
11 Don Jessome, he may have some answers for you. But I  
12 personally know nothing about implications on tax  
13 structure or taxing capacity and what have you.

14 Anything else, anybody else? Okay. If that's  
15 the case, I want to thank you very much again. It's  
16 been a most useful evening. I hope you got something  
17 out of it. I certainly did. This will certainly go a  
18 long way to improve our environmental impact  
19 assessment process. So thank you, have a good night,  
20 and we hope to see you again when we have the draft  
21 document itself available to review.

22