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Report: Champlain Hudson Power Express Line Will Not Reduce Greenhouse Gas Emissions

New analysis reveals true impacts of proposed transmission line

Albany, NY – A report released today by Energzyt and a diverse coalition of energy, environmental and labor groups shows that New York City's current plan to receive hydropower delivered over the proposed Champlain Hudson Power Express ("CHPE") transmission line will not reduce climate-related emissions and, in fact, may increase overall emissions.

In order to meet the City's climate and clean energy goals, Mayor Bill de Blasio has said the City will seek a contract for Canadian hydropower by the end of the year. He also has floated the idea of using public funds to pay for the CHPE line, which is estimated to cost in excess of \$3 billion. Transmission Developers Inc. is actively marketing CHPE to deliver hydroelectricity from Hydro-Québec to New York as an option to comply with New York City Local Law 97, requiring building owners to meet strict emissions requirements.

Key findings in the report, *Understanding the True Impacts of the Champlain Hudson Power Express*, include:

- Hydro-Québec is already selling all its excess power to neighboring markets over existing transmission lines and has no surplus power to sell to New York City.
- It is more lucrative for Hydro-Québec to sell power to New York City than to other markets because of the higher price of energy, so sales would be diverted from the lowest priced markets, including upstate New York, to increase revenues.
- Any reduction in carbon emissions in New York City would be offset by increased emissions elsewhere because power redirected from other regions would likely be replaced by fossil generation.
- Ratepayer costs will increase without progress towards meeting New York State's environmental goals, as Hydro-Québec's large-scale impoundment hydropower is ineligible to produce Tier 1 renewable energy credits ("RECs") under New York's Clean Energy Standard ("CES") and does not increase the baseline upon which environmental progress is measured due to the shuffling of clean energy from upstate to downstate.

IPPNY's summary of the report is [available here](#).

The full Energzyt report is [available here](#).

IPPNY President and CEO Gavin J. Donohue said, “There is no time for shell games when it comes to meeting the challenge of global climate change. The uneconomic CHPE line is an attempt by Hydro-Québec to increase its bottom line by taking advantage of higher electricity prices in New York City. Moving exports around to reduce emissions in the City, while increasing emissions elsewhere, is not a solution to the growing climate crisis. We fail to see the wisdom in forcing New Yorkers to subsidize the profiteering of a project that will provide no environmental benefit. Competitive procurements for in-state renewable resources continue to have strong private developer response, and the City should follow suit and issue an RFP to meet its goals. An emphasis should be placed on guaranteed emissions reductions instead of allowing Hydro-Québec to game the system.”

Lisa Dix, New York Senior Campaign Manager for the Sierra Club said, “This report has made it clear that hydropower from Hydro-Quebec will not only deter us from meeting our statewide climate goals, but could actually harm renewable development and labor opportunities throughout the state. New York City must engage in a transparent and competitive process where we invest in in-state renewable energy and energy efficiency – ensuring our public money going towards solutions that will provide good economic and social benefits for our communities. Beyond squeezing out in-state renewables and energy efficiency, Mayor de Blasio refuses to acknowledge the long, devastating impacts Canadian hydro has to indigenous communities and our environment. New Yorkers should not be forced into buying destructive power when we have the ability to build our own clean energy economy right here.”

New York State Boilermakers Local 5 President Tom Ryan said, “No New York City tax dollars to fund Canadian power! Why would New York City want to spend its revenue from the hard-earned dollars of its taxpayers on a \$3 billion transmission line that would run through our parks and waterways? That is especially problematic if it prohibits any electricity from upstate New York being transmitted to downstate, while limiting the work opportunities for New Yorkers. Buy American has been a rallying cry of autoworkers, manufacturers, and the textile industry of the last half century. Sadly, it is becoming a rallying cry for New York's energy production.”

The 333-mile CHPE line would be routed underground – largely beneath the Hudson River and along Lake Champlain – and would not allow other energy resources, such as renewable electricity generated upstate, to also be transmitted across it.

In 2019, New York State passed the Climate Leadership and Community Protection Act (“CLCPA”), which set an ambitious goal for 70% renewable energy by 2030, and the CES program’s goals would be expanded as a result. The CHPE line would not deliver power that is defined as a CES “Tier 1” renewable in New York, so it will not help the City and the State meet requirements under the CES.

To meet the goals of the CES, New York State has held three competitive procurements for RECs, giving awards to 67 projects and more than 4,000 MW of new, renewable capacity. Another competitive procurement for offshore wind resulted in awards for two projects and nearly 1,700 MW of capacity, with another solicitation expected early this year. The State and the City should continue to build upon this competitive approach to meet the CLCPA’s requirements.

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