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## **Building Congress Report Sheds New Light On City's Future Power Issues**

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Carlo A. Scissura, president, CEO of the New York Building Congress

By John Jordan

**NEW YORK CITY**—The impending closure of the Indian Point nuclear power plants in Buchanan, NY in four years, as well as other power reliability issues are posing potential stark risks to the future energy supply of New York City and neighboring Lower Hudson Valley.

The New York Building Congress has released a report entitled “Electricity Outlook: Powering New York City’s Future,” which notes that while the city’s electricity supply is adequate to meet current demand, the report postulates that more needs to be done to keep pace with anticipated

economic and population growth and in advance of the planned closure of Indian Point Energy Center's two nuclear power plants by 2021. Indian Point 2 and 3 power plants last year accounted for 25% or 2,069 megawatts of the local energy supply for New York City and the entire Lower Hudson Valley.

“With preparations to shut down Indian Point shifting into high gear, the time for action is now,” says New York Building Congress president and CEO Carlo A. Scissura. “New York City and state officials, along with their partners in the private sector, must work together on a comprehensive plan to reliably generate and transmit the power necessary to meet the demands of the city’s growing economy and population.”

In addition to the need to replace the power generated by the Indian Point nuclear power plants, the city also faces an aging energy infrastructure with more than 50%, or approximately 5,500 MW, of in-city generation produced by plants that are more than 40 years old. The report notes that at present there are no current plans for new generation plants anywhere in the five boroughs.

“Absent additional in-city generation, it is essential that New York make substantial new investments in transmission capacity,” says New York Building Congress energy committee co-chair John J. Gilbert III, who is EVP/COO at Rudin Management. “Such a boost in capacity will alleviate congestion in existing sources of downstate transmission, allow the city to benefit from ongoing investments in renewables north of its borders, and jump-start the process of decommissioning the city’s aging fleet of generators.”

The New York Independent System Operator issued its Comprehensive Reliability Plan in April that concluded that the state’s bulk power system will meet demand through 2026, although the NYISO did couch its reliability prediction that the closure of Indian Point’s 2 and 3 reactors could impact system resources.

“The transmission issue for Downstate New York is stark,” the Building Congress report states. “The region, known as Southeast New York, which comprises New York City, Long Island, and the Lower Hudson Valley, uses 58% of statewide electricity, but generates only 40% of its electricity supply. The gap must be filled by transmission lines to the city and metro area.”

The annual energy consumption in New York City is expected to decline from 52.5 Terawatt hours in 2016 to 50.6 Terawatt hours by 2027. However, NYISO predicts summer peak demand in New York City will grow during that same period.

The only near-term generation facilities under construction at the moment are the new 650-megawatt CPV Valley Energy Center in Wawayanda in Orange County and the [1,100-megawatt Cricket Valley Energy Center in Dutchess County that recently broke ground.](#)

The Building Congress notes there are two significant proposals for transmission investment into New York City that could supply 2,000 megawatts of electricity directly to New York City by or before 2027.

The Champlain Hudson Power Express is a 330-mile HVDC submerged cable project below Lake Champlain and the Hudson River that could deliver 1,000 MW of renewable energy from Québec to Astoria, Queens. This project has been fully permitted and is currently finalizing engineering details. Construction could start in 2017 and the transmission line could be in service by late 2021, the Building Congress states.

In addition, the proposed Empire State Connector, a 260-mile submerged cable project below the Erie Canal and the Hudson River and terminating in either Brooklyn or the Bronx, would deliver 1,000 MW from renewable sources. This proposal is in active planning at present.

There is one natural gas pipeline upgrade project and three new proposed natural gas pipeline projects that are either in the early approval process or final permitting stage. However, only the Transco project that would connect to National Grid's distribution system at Floyd Bennett Field in Queens via the Rockaway Lateral would actually bring natural gas into New York City where demand is growing.

The 12-page report covered a host of issues, including natural gas supply, shale gas, wind, transmission issues, public policy initiatives that have focused on conservation and the implementation of renewables and emerging energy production technologies.

“The bottom line is that meeting New York City's growing demand for electricity over the next decade will require a multi-pronged strategy incorporating energy efficiency and conservation, increased transmission and pipeline capacity, as well as new storage and supergrid technologies,” Scissura says.

The Building Congress issued six key recommendations in its report:

- Gov. Andrew Cuomo should direct the New York State Public Service Commission and NYISO to initiate immediate plans for transmission investment so that adequate supply is available prior to the closure of Indian Point in 2021.
- To help achieve the forecast of 726 megawatts in conservation measures by 2027, the PSC, working with NYISO, NYSERDA, utilities and other key stakeholders, should develop and approve regulations designed to promote household use of solar PV, initiate smart metering at the household level, and properly incentivize large employers and building owners to invest in new technologies designed to control energy demand.
- The PSC and NYISO should develop a plan for the retirement, repowering and possible replacement of a number of New York City's aging generation plants.
- New York State energy system agencies should investigate new storage technologies for large-scale wind and solar installations, as well as the statewide application of new technologies for supergrid transmission systems.
- FERC should promptly approve the recent application for Transco's Northeast Supply Enhancement project, which will serve 1.8 million natural gas customers in New York City and Long Island. Transco filed an application for its project with the Federal Energy Regulatory

Commission in March. The firm hopes to put its Northeast Supply Enhancement project in service in late 2019

- The state and city should convene a working group of key stakeholders, including utilities and natural gas suppliers, to develop a strategy for the planning and approval of new natural gas pipelines directly into New York City.