





Marcy South Series Compensation Project

The cost-effective solution to strengthen New York State's power grid and capitalize on the value of the upstate energy industry by allowing more generation to flow downstate.

The Marcy South Series Compensation Project (MSSCP), developed by the New York Power Authority (NYPA) and New York State Electric & Gas (NYSEG), is a cost-effective way to increase the amount of power that can be moved along existing transmission lines from upstate generators to meet the downstate need, without building new lines.

The MSSCP supports Governor Cuomo's Energy Highway Blueprint initiative to modernize New York's energy infrastructure. It is also helps meet the objectives of the Governor's Reforming the Energy Vision plan to develop a clean, reliable and affordable energy system for all New Yorkers.

OUESTIONS & ANSWERS:

Q. Who is undertaking this project?

A. NYPA and NYSEG are undertaking the project as they are the owners of the transmission system and lines that carry the electricity along the MSSCP.

Q. Where is the work taking place?

A. Renovations to the transmission system will take place between the Fraser and Coopers Corners substations. The substation work will happen adjacent to the existing Fraser substation (Town of Delhi, Delaware County). The reconductoring of the existing transmission line is for the 21.8-mile section of the Fraser to Coopers Corners line from the Town of Hamden (Delaware County) to the Town of Rockland (Sullivan County) along the existing right of way.

Q. What is the scope of work for MSSCP?

A. The project will increase the power transfer capability of transmission in the region through the installation of three capacitor banks, which are small facilities with equipment that offers greater control of power movement. The upgrade will also enhance the existing 345-kilovolt transmission line from the Fraser Substation to the Coopers Corners Substation so it can support the increased electrical capabilities.

Q. Why is there a need for this project?

A. The project will relieve transmission bottlenecks (also known as congestion) in the region and to allow more electricity to flow from upstate generators to meet downstate electrical demand. In general, the work will enhance power flow from the areas encompassing

Utica through Monticello to the southeastern part of New York State, an area identified as a bottleneck in the state's transmission power grid.

Q. When will the work begin and how long will it take to complete?

A. The installation of the capacitor banks at the Fraser Substation is anticipated to begin in third quarter 2015 and completed by June 2016. The reconductoring of the Fraser to Coopers Corners transmission line is anticipated to begin in third quarter 2015 and completed by June 2016.

Q. What benefits—power and economic development—will the project provide?

A. MSSCP will increase the amount of electricity that can move along the region's transmission system and strengthen the state's power grid, protecting New Yorkers from the potential retirement of aging generation. It will also relieve the bottleneck that prevents lower-cost electricity from reaching areas where the demand is greatest. Transmission projects provide jobs and economic benefits to communities from business generated through multi-year construction activity, local supply purchases and increased operations at generating facilities.

Q. What approvals are needed for the project to proceed?

A. The project received approval from the New York State Public Service Commission. Additional approvals from local and state agencies are in progress.

Q. How can the public monitor the project?

- A. The MSSCP website (www.nypa.gov/MSSCP), established by NYPA and NYSEG, is the most comprehensive source of project information.
- Documents will also be available at local town/ village halls and/or libraries.
- Information is also available on the New York State Department of Public Service (DPS) website (www.dps.ny.gov).
- Search the DPS website using the case number 13-T-0515 to find the web page related to NYPA's portion of the MSSCP.

ABOUT NYPA: NYPA is the largest state electric utility in the nation, through the operation of its 16 generating facilities in various parts of New York State, participation in a unique public/private partnership to contract for power from a clean generating plant in Queens, and its operation of more than 1,400 circuit-miles of transmission lines.

- NYPA has been designated as the lead entity via Executive Order 88 by Gov. Andrew M. Cuomo to form a central management and implementation plan to carry out his Build Smart NY plan to reduce energy use by state facilities by 20 percent by 2020.
- The New York Power Authority uses no tax money or state credit. It finances its operations through the sale of bonds and revenues earned in large part through sales of electricity.
- More than 70 percent of the electricity NYPA produces is clean renewable hydropower. Its lower-cost power production and electricity purchases support hundreds of thousands of jobs throughout the state.

ABOUT NYSEG: NYSEG, a subsidiary of Iberdrola USA, serves 881,000 electricity customers and 263,000 natural gas customers across more than 40 percent of upstate New York. Iberdrola USA, a subsidiary of global energy leader Iberdrola, S.A., is an energy services and delivery company with more than 2.4 million customers in upstate New York and New England. We are a team of dedicated individuals working as one to deliver value to our customers, employees and shareholders. By providing outstanding customer service and exceptional reliability, while holding safety and the environment in high regard, we aspire to be a world-class energy company.

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