Response to New York Energy Highway RFI

May 30, 2012

EDP Renewables North America

Move TDI on-ramp to upstate New York





New York Energy Highway RFI

Respondent Information

EDP Renewables North America LLC ("EDPRNA" – formerly Horizon Wind Energy) and its subsidiaries develop, construct, own, and operate wind farms throughout North America. Based in Houston, Texas, with wind farms and offices across the United States and Canada, EDPR NA has developed more than 3,700 megawatts (MW) and operates over 3,500 MW. EDPRNA's highly qualified team has a proven capacity to execute projects and achieve goals.

In New York, EDPRNA has had a regional development office in Albany, and has actively developed wind projects since 2001. We currently co-own and operate the 332 MW Maple Ridge wind farm in Lewis County, own and operate the 11 MW Madison Wind Farm in Madison County, and are currently constructing the 215 MW Marble River Wind Farm in Clinton County. Additionally, we have hundreds of mega-watts in the interconnection queue and look forward to constructing more renewable energy projects in New York in the years to come.

EDPRNA has 513 MWs of development projects currently going through the NYISO queue – including 215 MWs of the under-construction Marble River Wind Farm. Additionally, we have considerable possibility of project expansion in these regions. The areas that we are developing wind farms have the necessary land, wind, and community support to be economically competitive; transmission is the largest constraint. As such, EDPRNA's response to this RFI will be highlighting the transmission solutions we believe that would allow the most amount of new wind generation to be built. EDPRNA has the following wind farms in development:

Project	County	MW
Arkwright Summit Wind Farm	Chautauqua	80
Alabama Ledge Wind Farm	Genessee	80
Rolling Upland Wind Farm	Madison	60
Machias I Wind Farm	Cattaraugus	80

While these are just the projects that are currently in queue, EDPRNA has had to drop 590 MWs of queue positions over the past years due to transmission constraints or due to questions in commercial viability. In total, with the right transmission solutions and commercial opportunities we believe we could develop and construct (including the wind farms above) the projects in the following zones in the near term.

Zone	MWs
Α	120
D	200
E	60
F	50

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Project Proposal:

Modify the currently planned Transmission Developers (TDI) NYC HVDC project to utilize AC transmission from Quebec into Plattsburgh, NY, and to create the HVDC substation at Plattsburgh, NY. The majority of the location of the project would remain the same with modification required for additional AC transmission located between Hertel, Quebec and Plattsburgh, NY. According to the current NYISO information, this project could be operational by 2016.

The current developer of the proposed line through regulatory processes is in the process of demonstrating their qualifications for undertaking this endeavor.

With a potential direct-current transmission line going directly from northern renewable resources in New York and Quebec to New York City is beneficial to addressing load issues and promoting state renewable energy goals. As the project is currently designed it would have limited benefits for existing and potential New York generation projects, and subsequently, New York economic benefits. With the cost of wheeling electricity across New York to the current proposed on-ramp in Hertel, Canada being high, the odds of new generation being built in New York—with the corresponding jobs and economic development—is low.

Additionally, this project, modified to have an on-ramp in New York, would relieve congestion in Zone D and E from the east-west interface and allow for additional new generation in the state of New York to benefit New Yorkers.

Additional markets may become available to both Quebec and New York projects if the New York location of the HVDC substation were also interconnected to the ISONE system via other proposed projects.

Project Justification

This will benefit the State's objectives and goals in the following ways:

Current Operations: The TDI line could benefit both upstate and downstate New York if the point of origin is within the state. It could allow interconnection from existing New York projects and could reduce congestion.

New Generation: With an on-ramp in upstate New York, this could allow hundreds of megawatts of new generation in North Country.

Relieves congestion: This would reduce congestion in Moses and from the north to downstate. This could stabilize prices from the north to the south, leading to a lower average price across the state.

Adhere to Renewable Portfolio Standard goals: If the on-ramp were to be in northern New York in Zone D, this could allow for New York renewables to get downstate without interfering with the intent of the TDI line. It could open up the potential of hundreds of new megawatts to renewables in the North Country.

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Financial

As EDPRNA is a generator of power projects and not a transmission operator, we cannot provide detailed analysis of the financial aspects of this project. We would imagine that estimated costs could be provided by National Grid or the New York Power Authority.

Permit/Approval process

EDPRNA cannot provide detailed information on the permitting and approval process for these additional projects.

Other Considerations, if applicable

EDPRNA cannot comment on the main issues or challenges this proposal would face.

Additional Information

Property

EDPRNA cannot comment on the status of the right of ways for this project.

Projected In-Service Date and Project Schedule

According to the current NYISO information, this project could be operational by 2016.

Interconnection

EDPR proposes that if the TDI line were to proceed, for the HVDC substation to be in Plattsburgh, NY to encourage more New York renewable generation.

Technical

EDPRNA, as a generator of renewable energy, cannot comment on this section.

Construction

While EDPRNA cannot comment on the construction of the transmission lines, we can comment on the construction that is incented if this project becomes operational and benefits renewable energy.

EDPRNA is currently constructing the 215 MW Marble River Wind Farm in upstate New York. The NYSERDA bids that we won for the RECs associated with this project for the first ten years had an economic development component for the state of New York. As such, this has encouraged us to use many New York-based companies, who are involved in the entire construction process.

Operational

Lower the Central East Interface flow and increase system reliability.

Socio-Economic

While EDPRNA cannot comment on the socioeconomic benefits of this particular project from a micro level, we can discuss the socioeconomic benefits of our wind projects.

Per the existing NYSERDA bidding process, 70% of the weight assigned to a project is based on price, with the other 30% on the economic development a project can generate. Through rigorous tracking over the construction and first three years of operations, we track the millions (and sometimes tens or hundreds of millions) spent in New York. Our projects increase the tax base of the communities that we are in, and provide millions of revenues in royalties for New York landowners.

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Financial

EDPRNA is not able to comment on the financial aspects of this project.

Environmental

The enhancement of the energy grid will allow for the deployment of renewable energy will aid in the offset of carbon emissions generated by carbon-producing sources. Wetlands, streams, forests and other natural areas can be avoided by properly identifying these natural resources during the design phase, avoiding the resources with proper siting, and utilizing existing disturbed areas to the maximum extent practicable. Certainly, areas will need to be cleared during construction; however, these areas can be restored to pre-existing vegetative states to ensure that minimal permanent disturbance will be realized. Given the minimal footprint of transmission infrastructure, operational impacts will be limited to corridors that will be required for transmission line upkeep. Mitigation measures to these impacts can be offset through acquisition of conservation easements, creation/restoration of wetlands, and mitigation banks.

Project Contract/Request for Proposal (RFP) Status

To our knowledge, this project has not been submitted to a New York state agency or authority in response to a Request for Proposal.

Public Outreach and Stakeholder Engagement

An organized public outreach campaign describing the nature of the proposed project and seeking public comment and input will allow for stakeholder engagement and buy-in. Similar to the process outlined in the Article X, a written public comment period up to 30 days should allow for the public to express concerns on the record. Issues can be addressed through a formal rebuttal to the comments. A public hearing would also allow for those concerned to publically submit comments as well.

Conclusion

EDPRNA appreciates being able to submit this response to the New York Energy Highway RFI, and is available for any follow-up questions on how to best get additional renewable generation online to meet New York's Renewable Portfolio Standard.

Respectfully submitted,

Bill Whitlock, Executive Vice President

EDP Renewables North America, LLC

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