



August 26, 2010

Honorable Steven Chu  
Secretary  
United States Department of Energy  
100 Independence Avenue S.W.  
Washington, DC 20585

Re: USDOE Solicitation No. DE-FOA 0000132  
Loan Guarantee Application of Champlain Hudson Power Express

Dear Secretary Chu:

On behalf of the City of New York, I am writing to express support for the DOE loan guarantee application for the Champlain Hudson Power Express (Champlain) that is now pending.

New York City has unparalleled commercial and financial importance to the nation. It also has a direct interest in this matter in that it is subject to significant electric system constraints while subject to a very high degree of dependence on reliable energy sources. Mayor Bloomberg's long-term sustainability program, *PlaNYC 2030*, references our continuing need for transmission resources to address our future energy needs. Moreover, DOE recognized in the National Congestion Study undertaken as part of the NIETC process that the City of New York is located in a critical congestion region.

As proposed, Champlain would provide greater electric system reliability and a major source of environmentally benign energy to a geographic region, the New York metropolitan area, which has been largely underserved by renewable power resources. The addition of 1000 megawatts of green energy would also have a significant impact on energy reliability and affordability in the City.

Completion of a major new transmission link to clean hydropower resources would materially benefit the City and State of New York. I urge your full and fair consideration of a loan guarantee for Champlain as a means to materially enhance public welfare. Thank you for your consideration of the City's perspective on this matter.

Very truly yours,

James T. Gallagher

Senior Director

Energy Policy Department

Chair, New York City Energy Policy Task Force