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CHAMPLAIN HUDSON POWER EXPRESS TO CREATE MORE THAN TWO THOUSAND JOBS AND SPUR MILLIONS IN NEW ECONOMIC ACTIVITY IN NEW YORK

ALBANY, NY - The Champlain Hudson Power Express (CHPE) transmission project will mean thousands of new jobs, millions of dollars in new economic activity for the New York economy and lower energy prices for consumers according to a study being released today. The analysis was performed by a leading international consultancy that specializes in energy and infrastructure investment and has advised private sector clients, market institutions, and governments on privatization, asset valuation, deregulation, tariff design, market power, and strategy in virtually all deregulated electricity markets worldwide.

The CHPE is a 333 mile underwater and underground HVDC transmission line that will deliver 1,000 MW of clean, low-cost, secure hydro and wind energy to the New York City metropolitan area. Transmission Developers Inc. (TDI) has been developing the \$2 billion private sector CHPE project for more than three years.

TDI President and CEO Donald Jessome said, "This economic analysis is very clear – the CHPE project creates significant direct and indirect jobs in New York State and does it while substantially lowering energy prices for consumers. The availability of clean, reliable, low cost power will have a substantial impact on the state's economic future."

Construction Period Impact

The study released today estimates that the project will create more than 300 direct construction jobs, primarily union positions, during the 3 ½ year construction period currently planned for 2013 to 2016, with a peak of more than 600 jobs in 2015. In addition, the economic activity that will be generated by the construction phase of the CHPE project will create an average of more than 1,200 indirect and induced jobs in New York State over this same time period from suppliers and various businesses in local communities along the route.

With nearly fifty percent of the total cost of the project tied to actual installation, the construction phase will deliver immediate economic benefits to the state. According to the study, over the course of the 3 ½ year construction phase, the spending generated by the CHPE project will increase New York's Gross Domestic Product (GDP) by nearly \$150 million per year.



Commercial Operations Period Impact

Once operational, the innovative project will continue to deliver significant economic benefits. It is estimated that the increased supply of low-cost electricity delivered through this line will decrease electricity costs by more than \$650 million a year to consumers in New York State. These annual cost savings are expected to continue over the long term and will spur expansion of the New York economy.

As a result of in-state operations of the CHPE project and the resulting electricity cost savings, the study found that the CHPE project will produce an average of nearly 2,400 indirect and induced jobs over the study period of 2017-2026. These new positions are spread out over a broad spectrum of the economy including the health care, accommodations and food service, professional and technical services, construction, real estate and retail sectors.

Likewise, over that same ten year study period, the CHPE project will increase New York State's GDP. It is estimated that the economic activity generated by the project over this period will increase the state's GDP by an average of approximately \$600 million per year.

More information on the CHPE project and a copy of the full report is available at www.CHPEexpress.com.

The study was completed by [London Economics International LLC](#) (LEI). LEI prepared the study using [Regional Economic Models, Inc.](#)'s P1+ macroeconomic model for the state of New York.

About the Project

The Champlain Hudson Power Express Project, in development for three years, is at the forefront of America's emerging "smart grid" revolution. The 333 mile HVDC transmission line will be installed both underground and underwater, originating at the U.S.-Canadian border and running the length of Lake Champlain and through parts of the Hudson River. This new source of clean power will help meet growing demand, diversify the State's energy portfolio, increase the security of the electric grid, and reduce energy costs for consumers and businesses throughout the State.

TDI was acquired by the Blackstone Group, LP, headquartered in New York City, shortly before the Champlain Hudson Power Express Project was publicly announced in February 2010. TDI is headquartered in Albany, NY.



About London Economics International LLC

London Economics International LLC (LEI) is a global economic, financial, and strategic advisory professional services firm specializing in energy, water, and infrastructure. The firm combines detailed understanding of specific network and commodity industries, such as electricity generation, transmission, and distribution, with sophisticated analysis and a suite of proprietary quantitative models to produce reliable and comprehensible results.

About Regional Economic Models, Inc

Founded in 1980, Regional Economic Models, Inc. (REMI), is the developer of PI+ (the next generation of Policy Insight), the leading economic-forecasting and policy-analysis model for North America. The PI+ model incorporates several modeling approaches including input-output (“I/O”), computable general equilibrium theory, econometric equations, and new economic geography theory to create a comprehensive model that understands detailed interrelated changes in a regional (or state) economy. The P1+ model is used frequently by private sector as well as governmental agencies and policymakers to better understand and forecast the impact of investment and macroeconomic strategy.

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