



Federal Energy Regulatory Commission
FACT SHEET
January 17, 2008
Cross Hudson Project
Docket No. EL07-70-001

The Federal Energy Regulatory Commission (FERC) today denied rehearing of a case involving two transmission projects that are competing to serve New York City, but expressed confidence that the two lines will be built.

Background

This case involves the Cross Hudson Project, a 550 megawatt (MW) transmission line from a New Jersey generating plant to the New York Independent System Operator's (NYISO) transmission system at Consolidated Edison Company of New York's (ConEd's) West 49th Street Substation in New York City, and the Hudson Transmission Partners (HTP) Project, a 660 MW competing line that would use the same interconnection facilities at the West 49th Street Substation.

In August 2007, FERC ruled that a Feb. 24, 2005, letter from Cross Hudson Corporation (Cross Hudson) to the New York ISO constituted notice of withdrawal from the NYISO interconnection queue. That ruling confirmed that Cross Hudson, whose plans are further advanced than HTP, had forfeited its queue position and was behind HTP. Cross Hudson complained that doing so forces it to fund the construction of a second set of interconnection facilities even if its project is completed before the HTP Project. Cross Hudson and NYISO sought rehearing of that decision.

Today's Order

FERC rejected the Cross Hudson and NYISO requests but noted that this case raises issues about how to encourage the development of interconnection projects in a rapidly growing yet energy-constrained area such as New York City, and the cost responsibility for necessary upgrades when a lower-queued project may be completed before a higher-queued competing interconnection project.

FERC said it expects ConEd, as the transmission owner, to minimize the delays to projects such as those of Cross Hudson and HTP using procedures granting the interconnection project that is first completed, regardless of its queue position, the option to complete the project using the existing interconnection facilities.

"As both the HTP and Cross Hudson projects are viable and expected to be completed, such first-come-first-served interconnection should encourage the completion of both projects that will meet the energy needs of New York City in a timely manner," FERC said.