



TDI New England

A **Blackstone** Portfolio Company

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STATE REGULATORS, VERMONT UTILITY AND KEY HOST TOWNS SUPPORT THE NEW ENGLAND CLEAN POWER LINK

More than \$720 Million of New Environmental and Economic Special Funds to Benefit Vermont

Burlington, VT (July 21, 2015) – TDI New England announced today that it has reached a series of significant agreements with four Vermont state agencies, three towns, and an electric utility regarding the proposed New England Clean Power Link transmission line.

These agreements stipulate that, once in service, the project will contribute more than \$720 million in direct public benefit payments to Vermont over its 40-year life. In addition, the agreements stipulate that the Vermont Public Service Board (PSB) has the information necessary to approve the project and issue a Certificate of Public Good.

TDI New England Chief Executive Officer Donald Jessome said, “We are extremely pleased to have reached agreements with these important state agencies, host towns, and Green Mountain Power as we continue to develop the New England Clean Power Link. We support the ambitious environmental and energy objectives of the State of Vermont, and the public benefit funds we have agreed to will support a cleaner environment, a stronger economy, and an improved tax base benefiting all Vermonters.”

In addition to providing for the direct public benefit payments, the agreements include comprehensive provisions regarding the use of those state and local rights-of-way utilized by the project. TDI New England will provide new funding for the ongoing operation and maintenance of state and local transportation corridors and will be granted all necessary land rights to construct the upland portion of the buried electric transmission line.

The agreements, filed with the PSB on July 17, 2015, were reached with the State of Vermont Public Service Department, the Vermont Agency of Transportation, the Vermont Agency of Natural Resources, and the Vermont Division of Historic Preservation; with the towns of Alburgh, Benson, and Ludlow; and with Green Mountain Power.

The agreements comprise a mix of dedicated funds, lease payments, environmental protections, and other benefits including:

- \$202 million paid to the state Clean Water Fund and dedicated to Lake Champlain watershed clean-up, paid at a rate of \$5 million annually for the 40-year life of the project after two initial \$1 million payments.
- \$61 million paid to a newly created Lake Champlain Enhancement and Restoration Trust Fund to support habitat restoration and recreational improvements in the Lake Champlain watershed,

paid at a rate of \$1.5 million annually for the 40-year life of the project after an initial \$1 million payment.

- \$109 million paid to Vermont's Clean Energy Development Fund for the 40-year life of the project to promote renewable generation in Vermont, paid at a rate of \$5 million annually during the first 20 years of the life of the project, with the remainder paid out during the subsequent 20 years.
- \$212 million in lease payments to VTrans for the 40-year life of the project for use of state highway and railroad rights-of-way paid at a rate starting at \$4 million annually and escalating annually starting in year 11 of the lease.
- Transfer of dedicated fiber-optic cable to the State of Vermont to improve telecommunications and broadband in Vermont.
- Approval to bury the Clean Power Link within certain roads in the towns of Alburgh, Benson, and Ludlow.
- Clarification of certain benefits to these host towns such as substantial new property tax revenue and road improvements.
- Funding for a new state-operated boat ramp in Alburgh.
- Important conditions protecting the environment and natural history of Vermont, such as water quality monitoring plans, aquatic invasive species protection plans, habitat protection plans, and a commitment to study and avoid archaeological sites.

These agreements supplement the settlements previously reached with the Vermont Electric Power Company (December 2014) and the Conservation Law Foundation (June 2015), both of which have been filed with the PSB as part of the state's 248 siting process. The agreement with VELCO will result in \$136 million in direct ratepayer savings to Vermonters. The CLF agreement covers many of the same issues as the agency agreements concerning the use of renewable power and dedicated benefits that will provide a cleaner environment for Vermont, however the agreements filed with the board on July 17th augment the benefits to Vermont above and beyond the CLF agreement.

The New England Clean Power Link will also deliver more than \$305 million in benefits to Vermont through new property and sales tax revenue, as well as hundreds of new construction jobs, and lower electricity costs. The project will also increase New England's gross domestic product and eliminate millions of tons of greenhouse gas emissions each year to help the region meet its aggressive climate change goals.

Finally, the Agreement provides Vermont utilities the opportunity to purchase up to 200 MW of transmission service on the project in later years to supply Vermonters with additional access to clean, low carbon, renewable power.

Jessome continued, "With these agreements, the New England Clean Power Link is one step closer to providing clean, lower-cost, renewable electricity for Vermont and New England."

The PSB will pursue a thorough review of the New England Clean Power Link, and, if the project is approved, will issue a Certificate of Public Good detailing the terms and conditions under which the project may be constructed and operated.

TDI NE filed its application for a Certificate of Public Good, along with its direct testimony and supporting exhibits, on December 8, 2014. The PSB held a public meeting in Fair Haven, VT, in February 2015. The PSB is expected to schedule the dates and times for technical hearings on the application this fall.

TDI NE has conducted extensive public outreach including numerous community open house meetings in Vermont, held a Lake Champlain Symposium to share information with the public and solicit input, participated in federal hearings on the project, and spent months conducting outreach to local officials, stakeholder groups, and landowners.

TDI New England filed applications with the U.S. Department of Energy seeking a Presidential Permit in May 2014 and with the U.S. Army Corps of Engineers seeking Clean Water Act Section 404 and Rivers and Harbors Act Section 10 permits in December 2014. The DOE issued a Draft Environmental Impact Statement in May 2015 and held public hearings on it in Burlington and Rutland on July 15 and 16, 2015, respectively. The Corps of Engineers issued a public notice of a complete application on July 17, 2015.

Information on the project can be found at www.necplink.com.

About the New England Clean Power Link

The New England Clean Power Link is a proposed 154-mile underwater and underground transmission line that will deliver 1,000 MW of clean, lower-cost hydroelectricity to the Vermont and New England market. The line is being developed with private-sector financing by TDI New England and will originate at the U.S.-Canadian border and travel approximately 97 miles underwater down Lake Champlain to Benson, Vermont, and then be buried along town and state road and railroad rights-of-way or on land owned by TDI New England for approximately 57 miles to a new converter station to be built in Ludlow, Vermont. The project is expected to be in service in 2019, at a cost of approximately \$1.2 billion.

About TDI New England

TDI New England is a Blackstone Portfolio Company. New York based Blackstone is a global leader in alternative asset management with more than \$330 billion currently under management. The TDI New England team is made up of the same leadership team currently developing the Champlain Hudson Power Express in New York State. That project has received all major federal and state permits required to proceed. The developers have a strong track record of working in partnership with local elected officials, community groups, and other stakeholders to develop projects that meet unique energy needs of growing economies, while minimizing local impacts. More information on the company and the project are available at www.necplink.com.

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