INITIAL APPLICATION MATERIALS FOR NEW SCOTLAND TO LEEDS TO PLEASANT VALLEY COMPONENT

TABLE OF CONTENTS

1. INTRODUCTION 1

1.1 OVERVIEW 1
1.2 ORGANIZATION INFORMATION WITH RESPECT TO ARTICLE VII REQUIREMENTS 2
1.3 SIS/SRIS STUDIES 5

2. DESCRIPTION OF THE NEW SCOTLAND-LEEDS-PLEASANT VALLEY COMPONENT (§85-2.8) 6

2.1 DESCRIPTION OF THE FACILITY (§ 85-2.8(a)) 6
2.2 FACILITIES DESCRIPTION 6
2.2.1 INTERCONNECTION AND SUBSTATION MODIFICATIONS 6
2.2.2 TRANSMISSION LINE 7
2.2.2.1 Design Voltage and Voltage of Initial Operation 7
2.2.2.2 Type, Size, Number, and Materials of Conductors 7
2.2.2.3 Insulator Design 8
2.2.2.4 Length of Transmission Line 8
2.3 LOCATION OF PROPOSED SITE OR RIGHT-OF-WAY (§85-2.8(b)) 9
2.4 NEED FOR PROPOSED NEW SCOTLAND-LEEDS-PLEASANT VALLEY FACILITIES (§85-2.8(d)) 12
2.5 COMPATIBILITY OF PROPOSED FACILITY WITH GOALS AND BENEFITS TO RATEPAYERS IDENTIFIED IN THE BLUEPRINT (PROCEDURAL ORDER, APPENDIX B AT 3) 12
2.5.1 CONGESTION RELIEF 12
2.5.2 ENHANCED SYSTEM RELIABILITY 12
2.5.3 FLEXIBILITY 12
2.5.4 EFFICIENCY 12
2.5.5 REDUCED ENVIRONMENTAL IMPACT: GHG AND REGIONAL AIR POLLUTION AND EMISSION REDUCTIONS 12
2.5.5.1 GHG Emission Reduction 12
2.5.5.2 Regional Air Pollution and Emission Reduction: Health Benefits 12
2.5.6 INCREASED DIVERSITY IN SUPPLY 12
2.5.7 LONG-TERM BENEFITS 12
2.5.7.1 Job Growth 12
2.5.7.2 Development of Efficient New Generating Resources at Lower Cost in Upstate Areas 12
2.5.7.3 Mitigation of Reliability Problems that May Arise with Expected Generator Retirements 12
2.6 DEVELOPMENT SCHEDULE (PROCEDURAL ORDER, APPENDIX B AT 3) 12

1. INTRODUCTION

1.1 OVERVIEW

The New Scotland to Leeds to Pleasant Valley ("New Scotland-Leeds-Pleasant Valley") component of the Project consists of a new 345 kV single circuit overhead transmission line originating at the existing New Scotland Substation[1] in the Town of New Scotland, Albany County, approximately five (5) miles southwest of the City of Albany, and proceeding generally south, connecting to the existing Leeds Substation in the Town of Athens, Greene County. From Leeds Substation, the line proceeds generally south and connects to the existing Pleasant Valley Substation, located in the Town of Pleasant Valley, Dutchess County. The proposed line from New Scotland to Leeds is approximately 25 miles long; the proposed line from Leeds to Pleasant Valley is approximately 40 miles.

While the routing and siting of the New Scotland-Leeds-Pleasant Valley component of the Project will be determined in coordination with stakeholders and through an alternatives analysis during the subsequent Part B application process, the proposed route for New Scotland-Leeds-Pleasant Valley, which parallels existing transmission lines for over 85% of its length, is illustrated in Figure 2-1 below and is shown in detail in Exhibit 2.

In addition, in response to the guidance set forth in the Order Authorizing Modification of the Process to Allow for Consideration of Alternative Proposals issued and effective February 21, 2014 in Cases 12-T-0502 and 13-E-0488, North America presents two alternative routes that would place the line within existing ROW:

- Alternative 1 (the "I-87 ROW Alternative") begins at the New Scotland Substation in the Town of New Scotland and parallels the CSX railroad ROW for 8 miles through the Town of Bethlehem and then turns down the I-87 corridor for 55 miles through the Towns of Coeymans, New Baltimore, Coxsackie, Athens (where the line connects through Leeds Substation), Catskill, Saugerties, Ulster, Kingston, Rosendale, Esopus, and New Paltz to Route 299 West and then turns east for 14 miles through the Towns of Lloyd and Hyde Park to the Pleasant Valley Substation in the town of Pleasant Valley. This alternate would be built on the existing I-87 ROW for approximately 62% of its length and new ROW typically 80' wide for the remainder.

- Alternative 2 (the "115-kV ROW Alternative"), which by-passes the Leeds Substation connection, begins at the New Scotland Substation in the Town of New Scotland and parallels the CSX RR ROW for 8 miles through the Towns of Bethlehem and

[1] As an additional option, if approved by the Commission, the proposed route could originate at Knickerbocker instead of New Scotland Substation. If this configuration is selected, the line will proceed west out of Knickerbocker for approximately two miles primarily within the CSX RR ROW, cross the Hudson River, and proceed southwest approximately 3.5 miles to connect with the proposed route into Leeds Substation.

Coeymans to the location of the Greenbush to Churchtown 115kV corridor in the Town of Schodack; then turns south and follows the Greenbush to Churchtown and Churchtown to Pleasant Valley 115kV corridor for the remaining 54 miles through the Towns of Stuyvesant, Stockport, Ghent, Claverack, Livingston, Gallatin, Clermont, Milan, Clinton, and Pleasant Valley. This route would be built within the CSX railroad ROW and completely within the existing 115kV corridor for nearly its entire length. This alternative would require removing the existing 115-kV transmission structures in the portions of the Greenbush to Churchtown and Churchtown to Pleasant Valley 115-kV where Alternative 2 would be constructed and reinstalling the 115-kV circuits on innovative multiple-circuit structures that will allow both the 115- and 345-kV circuits to be installed within the existing 115-kV ROW with no expansion of the ROW either in width or in height. Further descriptions and drawings, including ROW cross-section drawings, are provided in Exhibit 2 and Exhibit 5.

Either Alternative 1 or 2 could be constructed with or without the new Knickerbocker Substation or Knickerbocker Switchyard, which could be constructed by NAT and would be located near the intersection of Knickerbocker and Muitzeskill Roads in the Town of Schodack. The distinction between Knickerbocker being a substation or switchyard is one of electrical engineering: a substation will have a 345 kV/115 kV transformer and include connections to the 115 kV transmission lines and a switchyard would only have connections to the 345 kV lines. If Knickerbocker is constructed in conjunction with Alternative 1, the transmission line would originate at Knickerbocker, proceed west approximately two miles primarily within the CSX RR ROW, cross the Hudson River, proceed west approximately one-half mile within the Town of Coeymans, head southward within the I-87 corridor toward Leeds Substation, and terminate at Pleasant Valley Substation as described above. Alternative 2 would connect through Knickerbocker Substation via the path described above since the existing 115-kV ROW that would be utilized already passes through the Knickerbocker location.

In addition, either Alternative 1 or 2 could be constructed with or without a new transmission line between New Scotland and Knickerbocker. Alternative 1 could be constructed with or without a connection to the Leeds substation, since the I-87 ROW is in proximity to the Leeds substation. Alternative 2 would be built only without a connection to the Leeds substation. Alternative 2 would only be built with modifications to the Churchtown 115 kV substation.

1.2 Organization Information with Respect to Article VII Requirements

This Application contains the items required for an Initial (Part A) Application filing (or "Part A Application"), as defined by the Commission's Order Establishing Modified Procedures for Comparative Evaluation Issued and Effective December 16, 2014 (the "December 16 Order") as modified by the December 30, 2014 letter ruling on extension requests. The elements of this application are organized as specified in the Article VII Part A Template provided in Appendix D of the Commission's December 16 Order.

1.3 USE OF EXISTING ROW

The proposed New Scotland-Leeds-Pleasant Valley line minimizes the acquisition of additional right-of-way ("ROW") in each of its potential alternative routes. The initial base route is parallel to existing railroad and transmission ROW to the maximum extent practicable, over 85% of the route. In addition, where the route is parallel to an existing transmission ROW, North America proposes a narrow ROW, of only 80 feet, and only 100 feet elsewhere. Alternative 1 - I-87 ROW is located within existing railroad and highway ROW for over 76% of its length. Alternative 2 – 115 kV ROW is located within existing railroad and transmission ROW for over 99% of its length.

The base route is the same route proposed by North America in its initial Part A application on September 30, 2013, which is mostly adjacent to the existing 345 kV transmission line ROW. However, North America has revised its design and proposal to only require an additional 80 foot wide easement where parallel to an existing transmission line. Typical widths for a 345-kV transmission ROW would be approximately 150 feet wide; however, North America is proposing significantly narrower ROW widths for the Project, which will result in a significantly lower requirement for new ROW. For segments not parallel to existing ROW, the proposed width would be only 100 feet. Therefore, North America's proposed ROWs would reduce the need for new ROW by 47% for the vast majority of the route parallel to existing railroad or transmission ROW. In addition, by paralleling an existing transmission line it will be in character with existing facilities already in the landscape. As can be seen in the design drawings in Exhibit 5, the addition of the line where there is an existing line for 85% of the route will have less impacts than adding a new transmission for a 100% new route. For the remaining small portion of the route not parallel to existing ROW, the requirement for new ROW would still be reduced 33% versus the typical 150-foot ROW width. North America will evaluate during the Part B application phase whether electromagnetic field ("EMF") easements would be needed that are wider than the 80 and 100-foot transmission ROWs.

North America's Alternative 1– I-87 ROW minimizes the acquisition of new ROW by relying on existing state-owned ROW to the maximum extent feasible. Alternative 1 is located within existing railroad and highway ROW for over 76% of its length, and follows other roads and existing features where possible outside of these ROW.

North America's Alternative 2 – 115 kV ROW is located within existing railroad and transmission ROW for over 99% of its length. The railroad ROW is followed from New Scotland to Knickerbocker. From Knickerbocker to Pleasant Valley, the new line is entirely within the existing 115 kV ROW, with two 115 kV circuits built on the same towers. The new towers will be no taller than the existing towers,[4] and the new towers will not require a wider ROW than the existing ROW.

[4] In its January 7, 2015 filing North America stated the "the new towers may need to be up to 5 to 10 feet taller in some areas to maintain safety clearances" (at 28) since North America did not have data on the

1.4 USE OF ADVANCED TECHNOLOGIES

New Scotland-Leeds-Pleasant Valley will incorporate a number of advanced and innovative technologies that will maximize the benefits of the proposed line.

First, as described in Section 1.3 above, North America will implement innovative siting practices to route the line parallel to existing railroads and transmission lines, or in an existing highway ROW, or in an existing 115 kV transmission line ROW, therefore significantly reducing the new ROW requirement in all cases.

North America's Alternative 1 – I-87 ROW presents an innovative approach of placing a transmission line within a state-owned right-of-way. While it is rare for a transmission line to be primarily within a highway right-of-way, North America has confirmed that the existing highway right-of-way would be sufficient for location of a new 345 kV transmission line as identified in this application. This innovative approach meets the stated objective of being within an existing state-owned right-of-way, other than the paths from the existing substation terminals to the highway ROW.

North America's Alternative 2 – 115-kV ROW presents an innovative approach of installing new multiple -circuit structures that will allow two 115-kV and a new 345-kV circuits to be installed within the existing 115-kV ROW with no expansion of the ROW or increase in height. Further descriptions and drawings, including ROW cross-section drawings, are provided in Exhibit 2 and Exhibit 5. This approach has many benefits over other alternatives, including similar alternatives within the 115 kV ROW. The first benefit is that the low-profile H-frame structure proposed allows for new towers that are very low-profile and not any higher than the existing towers, and remain below the line-of-sight of the existing tree-line where existing trees provide a barrier to the existing transmission lines. Another primary benefit is that by including two 115-kV circuits on the towers, it ensures the same level of reliability to serve existing load in the area. In all cases, existing load is served by an equivalent or better level of service. This is not true with an alternative of combining all four existing 115-KV circuits into a single circuit as some load in the area would be lost under the N-1 contingency of this single circuit, which is a significant reduction in reliability for load in the area. In addition, by tapping and looping a single new circuit, the single new circuit would be limited by the existing segments (i.e. the full new capacity of the new conductor would not be realized) and a fault on any of the taps of the circuit would result in a loss of the entire circuit. Again, this would not be good utility practice and would negatively impact reliability of service to existing load. North America's innovative approach of including two new 115 kV circuits on its new towers is clearly the best alternative in this right-of-way.

height of all existing towers at such time. North America has since obtained additional data and can affirmatively state that in all cases its new towers will be no higher than the existing towers.

1.5 SIS/SRIS STUDIES

The New Scotland-Leeds-Pleasant Valley line was recently identified as a complimentary component of North America's proposed Project in achieving incremental transfer capability between the upstate New York and Southeast New York (UPNY-SENY) regions and Central-East regions and is currently in the Feasibility Study phase with the New York Independent System Operator ("NYISO"). An Interconnection Request for New Scotland – Leeds – Pleasant Valley 345 kV project was submitted to NYISO on September 5, 2013. A draft Feasibility Study has been completed but not yet issued in final form.

No interconnection request has been made for the New Scotland-Leeds-Pleasant Valley alternatives including alternative interconnections to Knickerbocker, a route along the I-87 corridor, sharing a common tower and rebuilding existing 115 kV transmission lines, or changes to the Churchtown substation. These elements were identified in response to the December 16 Order, and it will not be possible to complete an SRIS prior to the Commission's decision in this proceeding. However, to the extent a waiver may be necessary for a requirement to have a completed SRIS, North America requests such a waiver in Appendix C.

2. DESCRIPTION OF THE NEW SCOTLAND-LEEDS-PLEASANT VALLEY COMPONENT (§85-2.8)

2.1 DESCRIPTION OF THE FACILITY (§ 85-2.8(a))

This section provides (1) a description of the New Scotland-Leeds-Pleasant Valley 345 kV overhead AC transmission component of the proposed Project, (2) a statement of the location of the proposed location for the New Scotland-Leeds-Pleasant Valley component, (3) a statement of the need for the proposed New Scotland-Leeds-Pleasant Valley component, (4) a statement regarding the compatibility of the New Scotland-Leeds-Pleasant Valley proposed facilities with the goals and benefits to ratepayers identified in the Blueprint, (5) a statement regarding the operating effects of the proposed New Scotland-Leeds-Pleasant Valley component and (6) the anticipated schedule for project development as required by 16 NYCRR § 85-2.8, as modified by the December 16 Order.

2.2 FACILITIES DESCRIPTION

The New Scotland-Leeds-Pleasant Valley component is comprised of the addition of a new 345 kV overhead transmission line along with modifications to the existing New Scotland Substation, Leeds Substation, and Pleasant Valley Substation. These items are described in detail in the following subsections. Design drawings for select Project components are included in Exhibit 5 of this submittal.

2.2.1 INTERCONNECTION AND SUBSTATION MODIFICATIONS

New Scotland-Leeds-Pleasant Valley will connect the Niagara Mohawk Power Corporation d/b/a National Grid-owned New Scotland 345 kV Substation,[5] located in Albany County, to the National Grid-owned Leeds 345 kV Substation, located in Greene County to the Consolidated Edison, Inc.-owned Pleasant Valley 345 kV Substation located in Dutchess County.

The New Scotland-Leeds-Pleasant Valley component will consist of approximately 65 miles of 2-1590 ACSR ”Falcon” bundled conductor with Normal and Emergency Ratings of 1788/2074 MVA, respectively.

The Point of Interconnection (POI) at the New Scotland Substation requires that a new breaker and a half configuration be installed. The POIs at the Leeds Substation requires the expansion of the current station to accommodate two new bays. The POI at the Pleasant Valley Substation requires the expansion of the current station to accommodate a new bay. It is expected that the proposed

[5] As an additional option, if approved by the Commission, the proposed route could originate at Knickerbocker instead of New Scotland Substation.

equipment installations will not require an expansion of the existing footprints of the interconnection stations.

2.2.2 TRANSMISSION LINE

North America has performed preliminary review of design options for the New Scotland-Leeds-Pleasant Valley 345 kV transmission line and has determined that a "Vertical" monopole configuration would be appropriate for New Scotland-Leeds-Pleasant Valley to minimize the ROW width, other than where the line will be built in the existing 115 kV ROW. In the existing 115 kV ROW the line would be built on a multi-circuit horizontal H-frame tower to minimize the tower height, and ensure the towers will be no taller than existing towers. The foundations will typically be a combination of steel and concrete reinforced foundations for the tangent monopoles, the angle and deadend structures. North America proposes an approach to structure design that allows for easy modifications to the structures and foundations that allows for deployment in most any type of soil conditions and provides for very efficient installation methods.

North America intends to perform a Transmission Line Structure and Foundation Type Selection Study to validate the initial assumptions. The results of this study will be incorporated into the final line design and updated in North America's Part B Application.

North America proposes New Scotland-Leeds-Pleasant Valley to be constructed as a monopole configuration, but recognizes the Commission may see benefits in designing and constructing the Project to include a double-circuit capable tower, with only one circuit initially installed where a monopole tower is used. North America would be willing to do so if directed by the Commission.

2.2.2.1 DESIGN VOLTAGE AND VOLTAGE OF INITIAL OPERATION

New Scotland-Leeds-Pleasant Valley is designed to operate at a nominal system voltage of 345 kV, alternating current ("AC"). The voltage of initial operation will be 345 kV. Rebuilt 115 kV lines will continue to have a nominal system voltage of 115 kV AC.

2.2.2.2 TYPE, SIZE, NUMBER, AND MATERIALS OF CONDUCTORS

The proposed conductor type for New Scotland-Leeds-Pleasant Valley under all alternatives is 1590 kcmil 54/19 ACSR "Falcon" conductor. New Scotland-Leeds-Pleasant Valley is designed for a two conductor bundle per phase for the entire circuit. Special consideration will be given to the conductor design for the long span crossings of rivers, streams, ponds or other geographic features.

The aerial shield wire on New Scotland-Leeds-Pleasant Valley will be a DNO-8696 or equivalent Optical Ground Wire ("OPGW") that will provide line shielding as well as a communication path between the substation communication facilities.

The proposed conductor type for rebuilt 115 kV circuits is a single 795 kcmil 26/7 ACSS "Drake" conductor.

2.2.2.3 INSULATOR DESIGN

Insulator design for New Scotland-Leeds-Pleasant Valley will be suspension type, polymer insulator with ball and wye-clevis connections. In all suspension applications, regardless of structure type, insulators will consist of two polymer insulators configured in a V-string formation. Dead-end and angle structures will utilize two polymer insulators configured in a parallel formation placed in a strain condition with associated dead-ending hardware. Where required, vertical polymer jumper post insulators will be utilized to provide proper clearance to grounded portions of the structures and to restrict jumper loop movement due to wind loading.

Alternative 2 115 kV circuits will be suspension type, polymer insulator with ball and wye-clevis connections. In all suspension applications, regardless of structure type, insulators will consist of one polymer insulator configured in a I-string formation. Dead-end and angle structures will utilize two polymer insulators configured in a parallel formation placed in a strain condition with associated dead-ending hardware. Where required, vertical polymer jumper post insulators will be utilized to provide proper clearance to grounded portions of the structures and to restrict jumper loop movement due to wind loading.Length of Transmission Line

The length of the proposed route totals approximately 65 miles. The length of the proposed Alternative 1 – I-87 ROW is approximately 83 miles. The length of the proposed Alternative 2 – 115 kV ROW is approximately 66 miles. The Scoping and Schedule section details further routing analysis to take place prior to the filing of Part B of the application.

2.3 LOCATION OF PROPOSED SITE OR RIGHT-OF-WAY (§85-2.8(b))

The New Scotland-Leeds-Pleasant Valley line, which parallels existing transmission lines for over 85% of its length, is illustrated in Figure 2-1 below and is shown in detail in the map sets included in Exhibit 2.

The proposed right-of-way (ROW) is generally expected to be 80 to 100 feet wide and originates at the existing New Scotland substation in the Town of New Scotland, Albany County, approximately five (5) miles southwest of the City of Albany, and proceeding generally south, connecting to the existing Leeds Substation in the Town of Athens, Columbia County. From Leeds Substation, the line proceeds generally south, crosses the Hudson River, and connects to the existing Pleasant Valley Substation, located in the Town of Pleasant Valley, Dutchess County. The proposed alignment from New Scotland to Leeds is approximately 25 miles long; the proposed alignment from Leeds to Pleasant Valley is approximately 40 miles. The exact width of the ROW will be determined after the electromagnetic field (EMF) studies are completed and detailed structure design and placement have been performed.

Alternative 1 –I-87 ROW, in the existing I-87 ROW for approximately 62% of its length, is illustrated in Figure 2-1 below and is shown in detail in the map sets included in Exhibit 2. This alternative begins at the New Scotland Substation in the Town of New Scotland and parallels the CSX railroad ROW for 8 miles through the Town of Bethlehem and then turns down the I-87 corridor for 55 miles through the Towns of Coeymans, New Baltimore, Coxsackie, Athens (where the line connects through Leeds Substation), Catskill, Saugerties, Ulster, Kingston, Rosendale, Esopus, and New Paltz to Route 299 West and then turns east for 14 miles through the Towns of Lloyd and Hyde Park to the Pleasant Valley Substation in the town of Pleasant Valley.

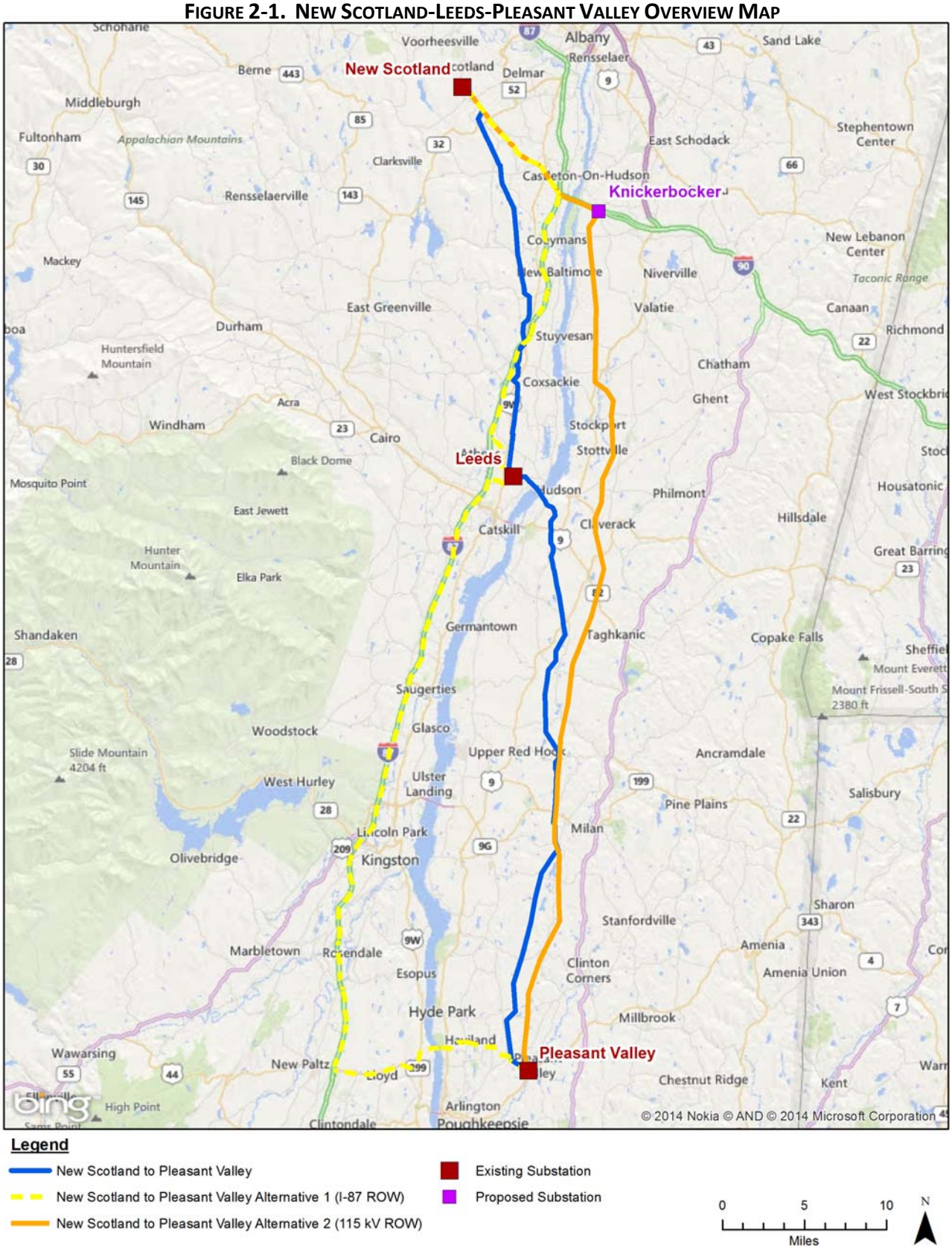
Alternative 2 - 115-kV ROW, is illustrated in Figure 2-1 below and is shown in detail in the map sets included in Exhibit 2. This alternative begins at the New Scotland Substation in the Town of New Scotland and parallels the CSX RR ROW for 8 miles through the Towns of Bethlehem and Coeymans to the location of the Greenbush to Churchtown 115kV corridor in the Town of Schodack; then turns south and follows the Greenbush to Churchtown and Churchtown to Pleasant Valley 115kV corridor for the remaining 54 miles through the Towns of Stuyvesant, Stockport, Ghent, Claverack, Livingston, Gallatin, Clermont, Milan, Clinton, and Pleasant Valley. This route would be built within the CSX railroad ROW and completely within the existing 115kV corridor for nearly its entire length. This alternative would require removing the existing 115-kV transmission structures in the portions of the Greenbush to Churchtown and Churchtown to Pleasant Valley 115-kV where Alternative 2 would be constructed and reinstalling the 115-kV circuits on innovative multiple-circuit structures that will allow both the 115- and 345-kV circuits to be installed within the existing 115-kV ROW with no expansion of the ROW either in width or in height. Further descriptions and drawings, including ROW cross-section drawings, are provided in Exhibit 2 and Exhibit 5.

In developing the proposed ROW route, North America's objective was to parallel existing ROWs to the maximum extent practicable, while minimizing impacts on wetlands and streams and proximity to schools, churches, airports and residences.

Either Alternative 1 or 2 could be constructed with or without the new Knickerbocker Substation or Knickerbocker Switchyard, which could be constructed by NAT and would be located near the intersection of Knickerbocker and Muitzeskill Roads in the Town of Schodack. The distinction between Knickerbocker being a substation or switchyard is one of electrical engineering: a substation will have a 345 kV/115 kV transformer and include connections to the 115 kV transmission lines and a switchyard would only have connections to the 345 kV lines. If Knickerbocker is constructed in conjunction with Alternative 1, the transmission line would originate at Knickerbocker, proceed west approximately two miles primarily within the CSX RR ROW, cross the Hudson River, proceed west approximately one-half mile within the Town of Coeymans, head southward within the I-87 corridor toward Leeds Substation, and terminate at Pleasant Valley Substation as described above. Alternative 2 would connect through Knickerbocker Substation via the path described above since the existing 115-kV ROW that would be utilized already passes through the Knickerbocker location.

In addition, either Alternative 1 or 2 could be constructed with or without a new transmission line between New Scotland and Knickerbocker. Alternative 1 could be constructed with or without a connection to the Leeds substation, since the I-87 ROW is in proximity to the Leeds substation. Alternative 2 would be built only without a connection to the Leeds substation. Alternative 2 would only be built with modifications to the Churchtown 115 kV substation.

FIGURE 2-1. NEW SCOTLAND-LEEDS-PLEASANT VALLEY OVERVIEW MAP



2.4 NEED FOR PROPOSED NEW SCOTLAND-LEEDS-PLEASANT VALLEY FACILITIES (§85-2.8(d))

The New Scotland-Leeds-Pleasant Valley transmission line will serve to increase transmission capability between upstate New York and downstate New York, and thereby address one of the key recommendations of the New York Energy Highway Blueprint (or the "Blueprint"). The new 345 kV line will relieve well-established energy transfer limitations on the NY electric transmission system and ensure efficient transmission of clean renewable energy from upstate NY to consumers in downstate NY. North America's proposed Project (which includes the New Scotland-Leeds-Pleasant Valley transmission line as one component) will provide an incremental transmission capability of at least 1,000 MW on the UPNY-SENY interface as well as a significant increase in the energy transfer capability on the Central-East interface. The proposed 345 kV transmission upgrades, including the proposed New Scotland-Leeds-Pleasant Valley facilities, will lead to significant congestion relief for downstate energy consumers, enhance efficient working of the NY electricity market by connecting lower-cost sources of energy with loads and improve system reliability state-wide.

2.5 COMPATIBILITY OF PROPOSED FACILITY WITH GOALS AND BENEFITS TO RATEPAYERS IDENTIFIED IN THE BLUEPRINT

The proposed New Scotland-Leeds-Pleasant Valley component is consistent with the goals set forth in the Blueprint and would bring significant benefits to ratepayers. Additional information pursuant to §85-2.8 regarding the compatibility of the proposed facility with the goals and benefits to New York's ratepayers identified in the Blueprint is provided in Exhibit E-4.

2.6 DEVELOPMENT SCHEDULE (APRIL 22, 2013 ORDER, APPENDIX B AT 3)

Planned development activities include the Article VII process, public outreach, and federal permitting. The anticipated development schedule is shown in Figure 2-2 below. As reflected in the schedule, the time required for completing the development and permitting activities after submittal of the Part B application is estimated at approximately 25 months.

Figure 2-2. Development Schedule