

# Hudson River Drinking Water Intermunicipal Council

Town of Esopus, Town of Hyde Park, Town of Lloyd, City of Poughkeepsie, Town of Poughkeepsie, Town of Rhinebeck, Village of Rhinebeck

July 12, 2022

Hon. Timothy Dean, Chair  
Dutchess County Industrial Development Agency  
3 Neptune Road  
Poughkeepsie, NY 12601

Re: Champlain Hudson Power Express

Dear Mr. Dean and IDA Board Members:

I write on behalf of the Hudson River Drinking Water Intermunicipal Council (the “Hudson 7”) regarding the Champlain Hudson Power Express (“CHPE”) project, which is before your board. According to its application, if granted, the PILOT requested by CHPE LLC would result in a loss of \$120 million in tax revenue over the life of the project. The Hudson 7 has serious concerns about construction-related risks posed by the installation of electricity transmission cables near drinking water intakes in the Hudson, including the three intakes serving Dutchess County communities of the City of Poughkeepsie, Village of Rhinebeck, the Towns of Poughkeepsie, Hyde Park and Rhinebeck, and the former IBM complex in East Fishkill via the Central Dutchess Water Transmission Line. We write to urge the IDA to deny any tax incentive for CHPE because of its potential to negatively impact Dutchess County, relative to its dearth of benefits to the county.

A similar request was asked of Ulster County recently and on [March 16, 2022, the Ulster County Legislature passed a memorializing resolution](#) requesting that the PILOT be denied.

The Hudson 7 is an intermunicipal council of seven municipalities located in both Ulster County and Dutchess County that draw drinking water from the Hudson River. Our five public water supplies serve 106,000 residents, three hospitals, three colleges, and major regional employers, providing safe water for human consumption, firefighting, industry, and more. The Dutchess County communities that draw drinking water from the Hudson River have no backup water sources, and limited reserve capacity.

CHPE proposes to install cables by “jet plowing” through seven feet of sediment in the bottom of the Hudson River in close proximity to our drinking water intakes. For example, the company proposes installing its cable within 500 feet of Esopus’s drinking water intake and between Poughkeepsie’s two intakes. The Hudson 7 is concerned about the potential for this disturbance to suspend sediments, including sediments contaminated with toxic industrial chemicals. In the case of Poughkeepsie, there is particular risk of disturbing approximately nine acres of coal tar, which is the subject of a Central Hudson remediation. Elsewhere, we are concerned about the potential for the cable to disturb unmapped hotspots

of PCBs or other contaminants. The toxins in the disturbed sediments present a risk of contaminating public drinking water supplies and eroding public trust in the quality of public drinking water.

The Hudson 7 tried without success to convince the company and regulators to route the cable over land, rather than in the river near our intakes. Since then, we have been communicating with the developer of the project in hopes of mitigating the impacts that will come from its proposed jet plowing. It is not yet clear whether the risks of installation can be mitigated, but it is abundantly clear that the project's conflict with drinking water safety is costing Dutchess County municipalities substantial time and effort to protect their water sources.

Moreover, the proposed project would provide no meaningful benefit to Dutchess County as its sole purpose is to transmit electricity from Canada to New York City. The project sponsor points to job creation as a benefit to Dutchess County, but there would be no permanent jobs created in Dutchess, and there is no indication that even temporary workers would be hired from within the county. In contrast, the project would pose substantial risks to the county and region's largest drinking water source, and would impose a cost on municipalities whose elected officials, water operators and consultants need to devote time to protecting their water.

The Dutchess County IDA should reject the proposed PILOT and ensure that Dutchess County taxpayers do not subsidize the construction of a project that will pose substantial risks, and no substantial benefits to our county.

Please feel free to contact me directly with any questions at Rhinebeck Village Hall, 845-876-7015 or 76 East Market Street, Rhinebeck, NY 12572.

Sincerely,

A handwritten signature in black ink, appearing to read 'A. Bassett', with a stylized flourish at the end.

Gary Bassett  
Chairman

Cc:

Sara Lee, Executive Director, Dutchess County IDA

Dr. Livia Santiago-Rosado, Commissioner, Dutchess County Behavioral & Community Health

James Fredrickson, Chairman, Dutchess County Environmental Management Council

A Gregg Pulver, Chairman, Dutchess County Legislature

Marcus J. Molinaro, County Executive, Dutchess County