

## NY limits eminent domain use for new power lines

NEW YORK, October 5 - New York Gov. George Pataki this week signed legislation that will limit the use of eminent domain by electric and gas corporations.

The law, which sources said targeted the proposed New York Regional Interconnection power line project, follows a backlash across the country against local governments using eminent domain to seize private property to boost economic development.

The developers of the \$1 billion New York Regional Interconnection project proposed a 200-mile high voltage direct current power transmission line from Utica to Orange County through the rural Delaware Valley.

The developers hoped to start construction by the spring of 2008 and put the line in service delivering low cost power from upstate New York to the New York metropolitan area by 2011.

However, communities along the proposed line route opposed the project because it would boost their electric bills and ruin the scenic landscapes along the valley.

"The use of eminent domain can have a significant impact on communities, and we must ensure that the legal power to take lands for public benefit is used appropriately," Governor Pataki said in a release.

"Through this law, we will establish additional protections for communities across New York State by prohibiting transmission companies from utilizing eminent domain if a proposed project does not meet designated criteria."

Officials at New York Regional Interconnect were not immediately available for comment.

After the governor signed the legislation, New York Regional Interconnect issued a statement urging people to learn more about the project, which the developer said would benefit all of New York.

The legislation does not prevent the developers of this project or other projects from building transmission lines in New York -- it requires builders to work more closely with the affected communities and avoid projects that would lower costs in one part of the state to the detriment of another part.

Under the State Transportation Corporations Law, gas and electric corporations have "the power and authority to acquire such real estate as may be necessary for its corporate purposes and the right-of-way through any property in the manner prescribed by the eminent domain procedures law."

The new legislation amends the law to prohibit companies from using eminent domain if: the project starts and ends in the state; will increase electric rates in any part of the state; and the builder applied for but did not receive early designation as a national interest electric transmission corridor under the Federal Energy Policy Act of 2005.

Under the Energy Policy Act, federal energy regulators can override state authority and issue a permit to construct transmission facilities in any "national interest electric transmission corridor," including granting eminent domain rights to acquire necessary right-of-ways if state authorities withhold approval for the siting of those facilities for more than one year.