

IJGlobal ESG Award – Transmission, N America – CHPE

Angus Leslie Melville

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The Champlain Hudson Power Express Green Loan is the winner of the IJGlobal ESG Award 2023 – in the transmission category for North America.

CHPE is no stranger to IJ awards having picked up [Power Deal of the Year](#) for transmission in March at our greenfield ceremony... but this time it is being recognised for the ESG element – primary among which is the role that ING played in arranging the green loan.

One of the independent panel of judges said: “The Champlain Hudson project demonstrates a significant impact on carbon reduction, with clear social and economic benefits for local communities.

“The project itself is a major innovation in the clean energy and transmission sector, contributing significantly to New York's renewable energy targets and emission reduction goals while creating jobs and improving air quality.”

Meanwhile, New York Governor Kathy Hochul (not one of our judges) had to say of it: "The Champlain Hudson Power Express transmission line is a monumental step toward protecting our environment and creating family-sustaining, green jobs in both upstate and downstate New York.

“In partnership with union labor, this green infrastructure project will bring billions of dollars in economic benefits to our state and will pave the way for cleaner air and a healthier future for all New Yorkers.”

Another non-judge – US Secretary of Energy Jennifer M Granholm – said: “The Champlain Hudson Power Express is a powerful example of the infrastructure that President Biden and Governor Hochul are committed to bring to New York and America. The project is expected to deliver clean, affordable, and reliable power while creating good-paying, union jobs.”

CHPE – the project

The green loan for [Champlain Hudson Power Express](#) (CHPE) is being used to finance a 339-mile fully buried transmission line that will deliver some 1.25GW of hydropower from Québec to New York City.

Upon expected completion in spring 2026, CHPE will deliver enough power for more than 1 million homes and reduce carbon emissions by 3.9 million metric tons per year, equivalent to removing some 44% of cars from New York City streets.



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Local governments will benefit to the tune of around \$1.4 billion in new tax revenue over the first 25 years of the project's operations.

The project will bring significant economic benefits, creating more than 1,400 construction-related jobs during the build and reducing electricity costs to save residents \$17 billion over 30 years.

CHPE LLC – majority owned by Blackstone – is an SPV formed to build, own and operate the asset. The total project cost is around \$6 billion, making it one of the largest clean energy projects in the US.

The assets financed include the largest buried high-voltage direct current transmission line under construction in the Americas, travelling between the US-Canadian border to New York City to transmit power within New York City, and additional property and equipment such as metering devices.

CHPE is the first of 2 historic projects to start construction under New York's first-of-its-kind renewable energy and transmission program – Tier 4 – that is administered by the New York State Energy Research and Development Authority.

The programme aims responsibly to deliver a significant increase of renewable energy to New York City, an area of the state that relies on aging fossil fuel-fired generation located largely in underserved communities, experiences the most significant air quality issues and health impacts from fossil fuel emissions, and has a marked need for improved grid reliability and resiliency.

CHPE will contribute significantly to New York State's 2030/40 renewable energy targets and 2030/50 GHG emission reduction goals, delivering 20% of the remaining generation needed to meet New York State's 2030 renewable energy target and reducing carbon emissions by 3.9 million metric tons per year.

The project converter site is in a neighbourhood known as Asthma Alley in Queens and will be the first grid-scale conversion in NYS of a site used for fossil generation into a clean energy facility, reducing harmful pollutants equivalent to removing 15 of the 16 peaker plants currently operating in Queens.

The CHPE Green Loan

The entire debt package for CHPE amounted to \$5.645 billion, supported by \$355 million of equity. The green loan – for which this award has been granted – weighed in at \$5.245 billion.

The lenders to the green loan – which has a 7-year tenor – are:

- MUFG
- CIBC
- Mizuho
- Societe Generale
- CoBank
- Desjardins Securities
- Fifth Third Bank
- HSBC
- ING
- KfW IPEX Bank
- National Bank of Canada
- Royal Bank of Canada
- Truist Bank
- Santander
- TD Securities
- Credit Agricole Group
- Korea Development Bank
- Morgan Stanley

- Standard Chartered Bank
- Bank of China
- Citigroup

CHPE is providing \$117 million to finance environmental protection programmes through a new fund called the Hudson River and Lake Champlain Habitat Enhancement, Restoration, and Research/Habitat Improvement Trust Fund.

The fund is governed by a committee that includes representatives from various NY State and City Departments and environmental non-profits.

The project has created a \$40 million Green Economy Fund – designed to support disadvantaged communities, low-income individuals, and transitioning fossil fuel workers in accessing and building careers in New York State’s green economy.

The fund’s advisory board comprises experienced local community members, experts in workforce development, and environmental justice leaders across New York State.

The submission states: “Ensuring the project results in quality, family-sustaining jobs for New Yorkers, CHPE’s contractors are executing project labor agreements with electrical and building trade unions for the line's construction by union workers.

“Covering more than 15 different local union chapters across 22 separate trade disciplines, the project labor agreements are expected to total more than 3 million work hours combined.

“During the project construction, the contractors have committed to making efforts to employ minority and women-owned business enterprises and utilize service-disabled veteran-owned businesses including focused efforts to include members of disadvantaged communities in the labor force throughout the project areas.”

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