



March 24, 2022

The Honorable Michelle Phillips  
Secretary  
New York State Department of Public Service  
3 Empire State Plaza, 19<sup>th</sup> Floor  
Albany, New York 12223

**Re: Case 11-M-0034 - 2021 Annual Report-Status of Site Investigations  
Remediation Costs, Schedules and Regulatory Compliance  
Central Hudson Gas & Electric Corporation**

Dear Secretary Phillips:

Central Hudson Gas & Electric Corporation ("Central Hudson") respectfully submits the 2021 Annual Environmental Report providing an update to site investigations, remediation costs, schedules and regulatory compliance associated with Central Hudson's former manufactured gas plant (MGP) and non-MGP sites. This report is being filed in accordance with Case 11-M-0034 and specifically Ordering Clause 1 which states:

The State's major electric and gas companies are hereafter required to file annual Site Investigation and Remediation (SIR) reports as long as SIR expenses are being incurred. These filings will include data on the timeliness of remediation, adherence to or slippage from established remediation schedules, compliance with the New York State Department of Environmental Conservation (NYSDEC) and other regulatory orders and agreements and historical costs and forecasts for future spending, by site, with an explanation of any material deviation from prior forecasts.

Should you have any questions associated with the information contained within this report please contact me at (845) 486-5461.

Respectfully,

Mark L. McLean  
Senior Director - Environmental Affairs

cc: C. Freni  
C. Capone  
A. Campagioni  
P. Colbert  
G. Bunt  
L. Gescheidle

**NEW YORK STATE  
PUBLIC SERVICE COMMISSION**

Case 11-M-0034 – Proceeding on Motion of the Commission to Commence a Review and  
Evaluation of the Treatment of the State’s Regulated Utilities’ Site  
Investigation and Remediation (SIR) Costs

**ANNUAL REPORT CONCERNING THE STATUS OF SITE INVESTIGATION AND  
REMEDATION COSTS, SCHEDULES AND REGULATORY COMPLIANCE**



Prepared By:

A handwritten signature in black ink, appearing to read "Mark L. McLean".

Mark L. McLean  
Senior Director - Environmental Affairs

Dated: March 24, 2022

## **EXECUTIVE SUMMARY**

The New York State Department of Environmental Conservation (“NYSDEC”) regulates the investigation and remediation process for sites in accordance with the guidance document Division of Environmental Remediation (“DER”)-10, Technical Guidance for Site Investigation and Remediation. This guidance provides the scope of activities needed to satisfy requirements for the life cycle of the site-specific remedial program. Specifically, it facilitates consistent, accurate, and timely completion of remedial projects. Central Hudson Gas & Electric Corporation’s (“Central Hudson”) sites under Consent Order, the Voluntary Cleanup Program (“VCP”), and the Brownfield Cleanup Programs (“BCPs”) are included in the programs under regulation by NYSDEC DER.

Central Hudson is currently wholly or partially responsible for nine Site Investigation and Remediation (“SIR”) sites, including: seven former manufactured gas plant (“MGP”) sites (Newburgh, Laurel Street, North Water Street, Bayeaux Street, Kingston, Catskill, and Beacon); one maintenance and warehouse facility (Eltings Corners); and one office property (Newburgh).

Central Hudson’s total SIR costs incurred as of December 31, 2021 are \$116,485,802. In addition, Table 1 (attached) provides a breakdown of costs per site including the projected SIR costs for the reporting period (2021), actual SIR costs for the reporting period, and projected SIR costs for the upcoming reporting period (2022). Seven sites exceeded the material deviation threshold criteria established in Case 11-M-0034 of 10% or \$100,000 when comparing projected to actual site specific 2021 SIR costs. Justifications are provided in section 5.5.2.

Central Hudson continues to adhere to New York State’s regulated electric and gas utilities best management practices for SIR cost management/mitigation strategies and its policies and practices for procuring services required for SIR projects. Documents relating to these best management practices and policies were provided in previous reports.

Central Hudson works collaboratively with the NYSDEC and other state and federal regulatory agencies to address sites within the SIR program. Furthermore, all sites were in compliance with the NYSDEC during the 2021 reporting period and remain so to date. Schedule milestones achieved by site in the calendar year 2021 and anticipated activities to be completed in 2022 are detailed in this report.

## TABLE OF CONTENTS

1. SITE INVESTIGATION AND REMEDIATION PROGRAM OVERVIEW
  - 1.1. Historical Background
  - 1.2. Responsibilities of Central Hudson
  - 1.3. Number and Location of Sites
2. OVERALL SIR COSTS
  - 2.1. Costs Incurred By Utility To Date
  - 2.2. Impacts On Ratepayers
  - 2.3. General Cost Management and Mitigation Strategies
  - 2.4. Procurement Processes Overview
3. ADHERENCE TO ESTABLISHED REMEDIATION SCHEDULES
  - 3.1. SIR Program Schedule Summary
  - 3.2. SIR Program Schedule Changes
4. COMPLIANCE WITH NYSDEC AND OTHER REGULATORY ORDERS AND AGREEMENTS
  - 4.1. Non-compliance Sites
  - 4.2. Regulatory Requirements Changes
5. SITE SPECIFIC REPORTS
  - 5.1. General Site Information (all sites)
  - 5.2. Site Background (non-Potentially Responsible Party site)
  - 5.3. Status of Site Investigation and Remediation
    - 5.3.1. Status of NYSDEC Remediation Program (non-Potentially Responsible Party site)
    - 5.3.2. Scope of Work
    - 5.3.3. Schedule
  - 5.4. Project Procurement Exceptions
  - 5.5. Project Costs
    - 5.5.1. Project Costs Summary (non-Potentially Responsible Party site)
    - 5.5.2. Changes in Cost
    - 5.5.3. Cost Management and Mitigation Strategies

## TABLES

Table 1 – Total SIR Costs Incurred by Central Hudson Gas and Electric Corporation

Table 2 – Status of SIR Program (non-Potentially Responsible Party Sites) for Central Hudson Gas and Electric Corporation

Table 3 – Site Specific SIR Costs (non-Potentially Responsible Party Sites) incurred by Central Hudson Gas and Electric Corporation

## 1. SITE INVESTIGATION AND REMEDIATION PROGRAM OVERVIEW

### 1.1. Historical Background

The New York State Department of Environmental Conservation (“NYSDEC”) regulates the investigation and remediation process for sites in accordance with the guidance document Division of Environmental Remediation (“DER”)-10, Technical Guidance for Site Investigation and Remediation. This guidance provides the scope of activities needed to satisfy requirements for the life cycle of the site-specific remedial program. Specifically, it facilitates consistent, accurate, and timely completion of remedial projects. Central Hudson’s sites under Consent Order, the Voluntary Cleanup Program (“VCP”), and the Brownfield Cleanup Programs (“BCPs”) are included in the programs under regulation by NYSDEC DER.

### 1.2. Responsibilities of Central Hudson

Central Hudson’s role is to work in a collaborative process with all stakeholders for the satisfactory remediation of each site incorporated into the clean-up programs governed by the NYSDEC. When Central Hudson, or its predecessors, is considered the responsible party, Central Hudson takes the lead throughout the process of investigating a site, develops the appropriate remedial options, and upon obtaining all the necessary approvals, successfully remediates the site.

### 1.3. Number and Location of Sites

Central Hudson is currently considered wholly or partially responsible for nine SIR sites at the general locations listed below:

- **Newburgh Former MGP site (*Consent Order Index #D3-001-95-06, Site #336042*)**  
– located at the intersection of South Water Street and Renwick Street in the City of Newburgh, Orange County, New York
- **Laurel Street Former MGP site (*Voluntary Cleanup Agreement Index #D3-0003-99-04, Site #314068*)** – located at the intersection of Laurel Street and entrance ramp to Route 9 North in the City of Poughkeepsie, Dutchess County, New York

- **North Water Street Former MGP site (*Brownfield Cleanup Program Index #D3-0004-99-04, Site #314070*)** – located at the intersection of North Water Street and Dutchess Avenue in the City of Poughkeepsie, Dutchess County, New York
- **Bayeaux Street Former MGP site (*Consent Order Index #D3-0134-89-05*)** – located at the intersection of Main Street and North Perry Street (formerly Bayeaux Street) in the City of Poughkeepsie, Dutchess County, New York
- **Kingston Former MGP site (*Brownfield Cleanup Program Index #A3-0609-0808, Site #C356017*)** – located in the vicinity of the intersection of East Strand Street and North Street in the City of Kingston, Ulster County, New York
- **Catskill Former MGP site (*Brownfield Cleanup Program Index #A4-0553-0606, Site #C420027*)**– located at 125 Water Street in the Village of Catskill, Greene County, New York
- **Beacon Former MGP site (*Voluntary Cleanup Agreement Index #D3-0005-99-04, Site #314069*)** – located on River Street in the City of Beacon, Dutchess County, New York
- **Central Hudson, Eltings Corners Maintenance and Warehouse Facility** – located at 25 South Street in the Town of Lloyd, Ulster County, New York
- **Central Hudson, Newburgh Office (*Brownfield Cleanup Program Index #C336031-10-12, Site #C336031*)** – located at 610 Little Britain Road, in the town of New Windsor, Orange County, New York

## 2. OVERALL SIR COSTS

### 2.1. Costs Incurred By Utility To Date

Central Hudson's total SIR costs incurred as of December 31, 2021 are \$116,485,802. Table 1 (attached) provides a breakdown of costs per site including the projected SIR costs for the reporting period (2021), actual SIR costs for the reporting period, and projected SIR costs for the upcoming reporting period (2022). Please refer to section 5.5.2 for information pertaining to sites that exceeded the material deviation threshold

criteria established in Case 11-M-0034 of 10% or \$100,000 when comparing projected to actual site specific 2021 SIR costs.

## **2.2. Impacts On Ratepayers**

On November 18, 2021, the New York State Public Service Commission issued its Order Approving Rate Plan in Cases 20-E-0428 and 20-G-0429, which established three-year electric and gas rate plans for Central Hudson. The rate plans cover three Rate Years (“RY”), which are the Rate Years Ending June 30, 2022; June 30, 2023 and June 30, 2024. The electric environmental SIR rate allowance is \$6.328 million (RY1); \$6.461 million (RY2); and \$6.596 million (RY3). The gas environmental SIR rate allowance is \$1.582 million (RY1); \$1.615 million (RY2); and \$1.649 million (RY3). The rate allowances represent less than 2% of delivery revenues. In addition, the current ratemaking employed to determine the amount recoverable in delivery rates is based on a historical cost averaging method rather than a forward-looking projection based on anticipated work scope. As a result, the future impact to ratepayers through delivery rates cannot be measured until the historical costs used to establish the rate allowance are known.

## **2.3. General Cost Management and Mitigation Strategies**

Please refer to the Inventory of Best Practices for Utility SIR Programs document previously filed on March 28, 2013 (also included as Attachment A in the annual SIR report dated June 24, 2013) for details regarding New York State’s regulated electric and gas utilities best management practices for SIR cost management/mitigation strategies. Central Hudson adheres to these best management practices.

## **2.4. Procurement Processes Overview**

Central Hudson’s policies and practices for procuring services required for SIR projects are embodied within the company’s Purchasing Manual last updated May 4, 2018.

# **3. ADHERENCE TO ESTABLISHED REMEDIATION SCHEDULES**

## **3.1. SIR Program Schedule Summary**

Central Hudson works collaboratively with the NYSDEC and other state and federal regulatory agencies to address sites within the SIR program. Schedule milestones achieved by site in calendar year 2021 and anticipated activities to be completed in 2022 follows:

**Newburgh Former MGP site**

*Activities Achieved in 2021*

Throughout 2021, as per NYSDEC requirement, non-aqueous phase liquid (“NAPL”) monitoring/recovery events were performed routinely within the collection trench sumps and quarterly in the remaining monitoring well network. Additionally, Central Hudson regularly submitted monitoring results to the NYSDEC for review.

*Activities Anticipated in 2022*

In accordance with the approved Site Management Plan (“SMP”), a Periodic Review Report (“PRR”) summarizing the status of the Engineering Controls (“ECs”) and Institutional Controls (“ICs”) is expected to be submitted to the NYSDEC for review by July 2022. Central Hudson will continue to perform periodic NAPL monitoring/recovery events and provide results as required by the NYSDEC.

**Laurel Street Former MGP site**

*Activities Achieved in 2021*

NYSDEC-required semi-annual groundwater monitoring events were completed in January and July 2021.

A PRR, summarizing the status of the ECs ICs, was submitted to the NYSDEC for review on March 22, 2021. The NYSDEC approved the PRR on July 30, 2021.

*Activities Anticipated in 2022*

A semi-annual groundwater monitoring event was completed in January 2022. A PRR summarizing the status of the ECs and ICs is expected to be submitted to the NYSDEC for review in April 2022. Additionally, Central Hudson will continue to conduct monitoring events and provide summary report submittals as required by the NYSDEC.

**North Water Street Former MGP site***Activities Achieved in 2021*

A hydraulic dredge pilot test evaluation summary report was submitted to the NYSDEC for review in March 2021. Subsequently, a discussion conference call was conducted with the NYSDEC on March 15, 2021. In a March 29, 2021 email to project stakeholders (New York State Department of Health [“NYSDOH”], Dutchess County Department of Health, and the Poughkeepsie Water Treatment Facility) the NYSDEC stated that the conclusion of the summary report suggests that full-scale hydraulic dredging is not implementable on a scale and timeframe that is acceptable. However, the NYSDEC still believes that removal of source material is the best long-term remedy for the site and they directed Central Hudson to examine other methods. That said however, the NYSDEC also recognized that the remedy may have to be re-evaluated at its basic level to determine if the extent of removal is feasible to achieve. Lastly, they stated that no work is anticipated during the 2021 construction window. The NYSDEC conducted an internal meeting in April 2021 to discuss the findings of the hydraulic dredge pilot test and remediation options for the site. Subsequently, Central Hudson conducted a conference call with the NYSDEC to discuss the path forward on April 27, 2021. In summary, the NYSDEC stated that based on their experience removal, to some extent, is still the best long-term solution for the site and that capping or reactive capping on a large scale is not a viable long-term approach. However, if capping is included as part of the evaluation process the NYSDEC requested that supporting documentation be included for review. The final Hydraulic Dredging Pilot Test Summary Report was submitted to the NYSDEC on June 18, 2021.

On May 6, 2021, the City of Poughkeepsie informed Central Hudson that it plans to decommission their underground reservoir “cistern”. The letter also stated that they are planning to decommission this summer and would like any comments before they finalize and set a date. Central Hudson replied on May 14, 2021 stating that the management of the City’s water supply assets, including the determination of whether and when to abandon the cistern, is the responsibility of and is entirely within the sole discretion of the City.

Central Hudson conducted a conference call with the NYSDEC on July 15, 2021 to discuss the potential remedial alternatives proposed for further evaluation. As a progress milestone toward completion of a Focused Remedial Alternatives Analysis (“FRAA”) report, a cofferdam assessment memo was submitted to the NYSDEC on September 10, 2021 and discussed further during a conference call on September 16, 2021. During the call, the NYSDEC understood that cofferdams to encapsulate the entire dredge area would not be practicable; however, an evaluation of placing walls on just the northern and southern extents of dredging was requested. On September 20, 2021 the NYSDEC replied that they had no further comment regarding the memo. Subsequently, a FRAA report was submitted to the NYSDEC on November 2, 2021 along with a request to schedule a discussion meeting in mid-November. The NYSDEC responded via email on November 15, 2021 stating they would not be prepared for a discussion meeting until after the Thanksgiving holiday. Additionally, they requested a copy of the report from the Reactive Sediment Capping Field Demonstration. The requested report was forwarded to the NYSDEC on November 16, 2021. Central Hudson presented an overview of the FRAA to the NYSDEC on December 13, 2021. The presentation highlighted the alternatives studied, why certain options were removed from consideration, and the logical progression to the report conclusion. The NYSDEC stated they would provide comprehensive comments on the FRAA in early 2022.

A scope of work for limited upland remedial activities was submitted to the NYSDEC on May 14, 2021. The NYSDEC concurred with the work scope, with no further questions, on May 18, 2021. Subsequently, the activities commenced in May and were completed in June 2021.

Central Hudson completed semi-annual NAPL monitoring/recovery events at the site in June and December 2021. Results of these events were submitted to the NYSDEC for review on June 30 and December 21, 2021, respectively.

Central Hudson provided project updates to the Poughkeepsie Joint Water Board and the Hudson River Drinking Water Intermunicipal Council (a.k.a. “The Hudson 7”) periodically during their regular monthly meetings in 2021.

The NYSDEC conducted a site visit with their consultant retained to review remedial options for the site, TRC, on September 28, 2021.

As per the approved Interim SMP, a PRR summarizing the annual inspection of the site ECs was submitted to the NYSDEC for review on November 5, 2021. Based on the monitoring event it was observed that each of the ECs were in place, performing properly, and remain effective.

*Activities Anticipated in 2022*

Central Hudson awaits comprehensive comments from the NYSDEC on the FRAA submitted in November 2021.

The Air Bubble Curtain (“ABC”) lab pilot test work plan was forwarded to the NYSDEC for informational purposes on January 11, 2022. Central Hudson will keep the NYSDEC informed as the study progresses during the first and second quarter of 2022 and forward the summary report upon conclusion.

A PRR summarizing the status of the ECs is expected to be submitted to the NYSDEC for review by November 2022. Additionally, Central Hudson will continue to perform periodic NAPL monitoring/recovery events as required by the NYSDEC.

**Bayeaux Street Former MGP site**

*Activities Achieved in 2021*

No activities were completed.

*Activities Anticipated in 2022*

No activities are anticipated.

**Kingston Former MGP site**

*Activities Achieved in 2021*

Semi-annual groundwater monitoring events were completed in February and August 2021. Results were submitted to the NYSDEC for review on February 10 and September 13, 2021, respectively. The NYSDEC approved a request to reduce the frequency of

monitoring events from semi-annual to annual on November 18, 2021. An updated SMP to reflect the change in schedule was submitted to the NYSDEC on November 29, 2021.

As per the approved SMP, a PRR, summarizing the annual inspection of the site ECs and ICs, was submitted to the NYSDEC for review on May 12, 2021 and approved on June 10, 2021.

*Activities Anticipated in 2022*

A PRR summarizing the status of the ECs and ICs is expected to be submitted to the NYSDEC for review by June 2022. Additionally, Central Hudson will continue to conduct monitoring events and provide summary report submittals as required by the NYSDEC.

**Catskill Former MGP site**

*Activities Achieved in 2021*

Semi-annual groundwater monitoring events were completed in February and August 2021 and results were submitted to the NYSDEC for review on February 10 and October 19, 2021, respectively. The NYSDEC approved a request to reduce the frequency of monitoring events from semi-annual to annual on November 18, 2021. An updated SMP to reflect the change in schedule was submitted to the NYSDEC on December 7, 2021.

As per the approved SMP, a PRR summarizing the annual inspection of the site ECs and ICs was submitted to the NYSDEC for review on March 22, 2021 and approved on April 23, 2021.

*Activities Anticipated in 2022*

A PRR summarizing the status of the ECs and ICs is expected to be submitted to the NYSDEC for review in April 2022. Additionally, Central Hudson will continue to conduct monitoring events and provide summary report submittals as required by the NYSDEC.

**Beacon Former MGP site**

*Activities Achieved in 2021*

No activities were completed.

*Activities Anticipated in 2022*

No activities are anticipated.

**Central Hudson, Eltings Corners Maintenance and Warehouse Facility**

*Activities Achieved in 2021*

A conference call was conducted with the NYSDEC on January 6, 2021 to review the efforts in 2020 as well as to discuss solutions to the seemingly unattainable invasive species condition. Following the call, a 2021 plan was submitted to the NYSDEC for review on January 19, 2021. Subsequently, the plan was revised to include the NYSDEC's suggestion of concurrently hand wicking herbicide to control phragmites and beetle release to control purple loosestrife. On May 25, 2021 herbicide was applied via the hand wicking method to control the phragmites onsite. Signs of dieback from the previous years of treatment to the phragmites is now starting to show. Beetles were anticipated to be released by the end of June; however, due to the unavailability of beetles nationwide, no release occurred. A site visit with Central Hudson's environmental consultant was performed on June 18, 2021 to assess the site and review potential options to control invasive loosestrife. During that visit a native beetle population was discovered to be significantly impacting loosestrife found at the site. However, a subsequent site visit on August 11, 2021 showed that most of those beetles moved offsite to denser patches of loosestrife. Unfortunately, there are currently no known suppliers of loosestrife feeding beetles in the country. That said, herbicide control methods for invasive plants, including the site's loosestrife, have been accepted by NYSDEC for control in the next two years. Lastly, the Annual Post Vegetative Restoration Management Plan report was submitted to the NYSDEC in December 2021. On December 29, 2021, the NYSDEC responded with an email stating the report was reviewed and found to be satisfactory.

*Activities Anticipated in 2022*

Herbicide control methods for invasive plants, including the site's loosestrife, will continue in 2022. Additionally, as required, an annual report will be prepared and submitted to the NYSDEC.

### **Central Hudson, Newburgh Office**

#### *Activities Achieved in 2021*

In accordance with the approved Remedial Investigation Work Plan (“RIWP”), investigation activities commenced in June and were completed in October 2021.

An annual Sub-slab Depressurization System (“SSDS”) report, as required by the operations and maintenance (“O&M”) plan, was submitted to the NYSDEC in November 2021. The report concluded that the system operated effectively and efficiently. The NYSDEC approved the report in December 2021.

Quarterly groundwater sampling events were completed in 2021 and results were submitted to the NYSDEC.

#### *Activities Anticipated in 2022*

A remedial investigation summary report was submitted to the NYSDEC for review in March 2022.

Central Hudson will continue to perform quarterly groundwater sampling and SSDS O&M events and provide summary report submittals as required by the NYSDEC.

### **3.2. SIR Program Schedule Changes**

Any notable deviations from the anticipated 2021 schedule are discussed below in section 5.5.2.

## **4. COMPLIANCE WITH NYSDEC AND OTHER REGULATORY ORDERS AND AGREEMENTS**

### **4.1. Non-compliance Sites**

All sites were in compliance during the 2021 reporting period.

### **4.2. Regulatory Requirements Changes**

There were no changes to regulatory requirements for sites under the SIR program in 2021.

## 5. SITE SPECIFIC REPORTS

### 5.1. General Site Information (all sites)

Please see Section 1.3 for each site name, general site location, and NYSDEC remediation program and site identification number (if applicable).

### 5.2. Site Background (non-Potentially Responsible Party site)

#### **Central Hudson, Newburgh Office**

In 2000, Central Hudson and the NYSDEC entered into a Voluntary Cleanup Agreement (“VCA”) whereby Central Hudson removed approximately 3,100 tons of soil and conducted groundwater sampling. In addition, in 2008, it also installed an indoor air vapor mitigation system.

In late 2016 Central Hudson received a letter from the NYSDEC stating that the VCP will be terminated in March 2018. As requested by the NYSDEC, in order to assess the current groundwater contaminant concentrations, Central Hudson completed a survey of the site monitoring wells, developed remaining wells, and collected groundwater samples for laboratory analysis in May 2017. The results of the sampling event, including a recommendation on the next course of action, were submitted to the NYSDEC for review in August 2017. Subsequently, Central Hudson and the NYSDEC conducted a site visit on September 19, 2017 to discuss the scope for a supplemental investigation required before the NYSDEC can consider a no further action determination.

A work plan, detailing a supplemental investigation (installation of new overburden and bedrock monitoring wells), was submitted to the NYSDEC for review and approval in January 2018. The NYSDEC provided comments on the work plan on February 9, 2018 and a revised work plan was submitted for approval on February 13, 2018. Subsequently, the NYSDEC approved the work plan on February 23, 2018. Investigation activities commenced in May 2018 and were completed in November 2018. An investigation summary report was submitted in February 2019 and approved by the NYSDEC in March 2019.

A SSDS Work Plan was submitted to the NYSDEC and NYSDOH for review and approval in March 2019. The NYSDEC approved the SSDS Work Plan in May 2019.

A Brownfield Cleanup Agreement was executed with the NYSDEC in March 2019.

A meeting with the NYSDEC to discuss the site status and potential additional required investigation activities was conducted on July 22, 2019. Several supplemental activities were discussed including a private potable well canvas within ½ -mile radius of the site; initiation of quarterly groundwater sampling from the monitoring well network on site with expanded analysis; and development of a supplemental investigation work plan to include additional soil gas sampling in the front of the property, delineation of the deep bedrock wells in the rear of the property, and investigation of surficial soil due to a recent report of stained soils from an adjoining property owner.

Results of the private potable well canvas were submitted to the NYSDEC in January 2020.

Baseline sampling of the SSDS was completed in January and March 2020 and results were submitted to the NYSDEC and NYSDOH in March and April 2020, respectively. Additional evaluation sampling activities were completed in May and July 2020 and the results were submitted to the NYSDEC and NYSDOH in June and August 2020, respectively. Additionally, an O&M plan for the SSDS, that includes routine inspections and air testing, was submitted to the NYSDEC and NYSDOH in July 2020. The plan was subsequently approved in August 2020 and quarterly O&M events commenced on the SSDS in October 2020.

A Citizens Participation Plan (“CPP”) was submitted to the NYSDEC on May 12, 2020 and approved on May 21, 2020.

The draft RIWP was submitted to the NYSDEC on June 19, 2020. The NYSDEC finalized the Fact Sheet for the site and disseminated it to the public on July 8, 2020 and the public comment period ended on August 7, 2020. Subsequently, Central Hudson conducted a call with the NYSDEC on August 18, 2020 to discuss the comments received from the public. The RIWP was revised as applicable and resubmitted to the NYSDEC for approval on September 18, 2020 and approval was received on September 22, 2020. A request for proposal was distributed to bidders in November and responses were received for evaluation in December 2020.

For activities conducted in 2021 and anticipated in 2022, please refer to Section 3.1.

### **5.3. Status of Site Investigation and Remediation**

#### **5.3.1. *Status of NYSDEC Remediation Program (non- Potentially Responsible Party site)***

##### **Central Hudson, Newburgh Office**

Table 2 includes a status summary for the reporting year (2021) and projected year (2022) for Central Hudson's Newburgh Office.

#### **5.3.2. *Scope of Work***

Please see Section 3.1 for a summary of the activities achieved in 2021 and activities anticipated in 2022 for each site. There were no noted deviations from the approved scope of work for each site in 2021.

#### **5.3.3. *Schedule***

Please see Section 3.1 for a summary of the activities achieved in 2021 and activities anticipated in 2022 for each site. Any notable deviations from the anticipated 2021 schedule are discussed below in section 5.5.2.

### **5.4. Project Procurement Exceptions**

There were no contracts awarded without following the company's standard procurement process.

### **5.5. Project Costs**

#### **5.5.1. *Project Costs Summary (non- Potentially Responsible Party site)***

##### **Central Hudson, Newburgh Office**

At this time, Central Hudson does not have sufficient information to estimate the need for additional remediation or potential remediation costs.

#### **5.5.2. *Changes in Cost***

When comparing projected to actual site specific 2021 SIR costs provided in Table 1, the following sites were within the material deviation threshold of 10% or \$100,000:

- Bayeaux Street MGP site
- Beacon Former MGP site

The following sites exceeded the material deviation threshold of 10% or \$100,000 when comparing projected to actual site specific 2021 SIR costs provided in Table

1. As such, justifications are provided below:

- Newburgh Former MGP site - The actual SIR cost was less than the projected SIR cost for the 2021 reporting period. The cost was lower than projected due to deferral of effort associated with completing a SMP inspection to 2022 as required by the NYSDEC.
- Laurel Street Former MGP site - The actual SIR cost was more than the projected SIR cost for the 2021 reporting period. The cost was more than projected due to an increase in groundwater monitoring frequency from what was estimated.
- North Water Street Former MGP site - The actual SIR cost was less than the projected SIR cost for the 2021 reporting period. The cost was lower than projected due to deferral of estimated costs of conducting an ABC pilot test to 2022.
- Kingston Former MGP site - The actual SIR cost was less than the projected SIR cost for the 2021 reporting period. The cost was lower than projected due to actual costs for NYSDEC program oversight and annual SMP inspection being less than estimated.
- Catskill Former MGP site - The actual SIR cost was less than the projected SIR cost for the 2021 reporting period. The cost was lower than projected due to actual costs for NYSDEC program oversight and groundwater monitoring being less than estimated.
- Central Hudson, Eltings Corners Maintenance and Warehouse Facility - The actual SIR cost was less than the projected SIR cost for the 2021 reporting

period. The cost was lower than projected due to actual costs associated with required invasive plant management being less than estimated.

- Newburgh Office - The actual SIR cost was more than the projected SIR cost for the 2021 reporting period. The cost was more than projected due to difficult drilling conditions encountered during remedial investigation activities requiring additional drilling methodology.

**5.5.3. *Cost Management and Mitigation Strategies***

There were no deviations from the standard practices document referenced in Section 2.3 during the 2021 reporting period.

**Table 1 - Total SIR Costs Incurred by Central Hudson Gas and Electric Corporation**

| Site Name                     | Total SIR Costs to Date (\$) | Projected Total SIR Costs For Reporting Period - 2021 (\$) | Actual Total SIR Costs For Reporting Period - 2021 (\$) | Difference Between 2021 Actual and Projected Total SIR Costs | Total Projected SIR Costs For Upcoming Reporting Period - 2022* (\$) |
|-------------------------------|------------------------------|------------------------------------------------------------|---------------------------------------------------------|--------------------------------------------------------------|----------------------------------------------------------------------|
| <b>Newburgh MGP</b>           | \$41,384,583                 | \$87,337                                                   | \$73,646                                                | \$13,691                                                     | \$53,617                                                             |
| <b>Laurel Street MGP</b>      | \$4,719,989                  | \$59,515                                                   | \$67,157                                                | (\$7,642)                                                    | \$33,600                                                             |
| <b>North Water Street MGP</b> | \$31,541,752                 | \$5,084,324                                                | \$2,476,276                                             | \$2,608,048                                                  | \$5,559,830                                                          |
| <b>Kingston MGP</b>           | \$20,569,010                 | \$72,777                                                   | \$63,763                                                | \$9,014                                                      | \$35,100                                                             |
| <b>Catskill MGP</b>           | \$9,871,384                  | \$51,347                                                   | \$46,043                                                | \$5,304                                                      | \$20,800                                                             |
| <b>Beacon MGP</b>             | \$926,915                    | \$0                                                        | \$0                                                     | \$0                                                          | \$0                                                                  |
| <b>Other Sites**</b>          | \$394,981                    | \$0                                                        | \$0                                                     | \$0                                                          | \$0                                                                  |
| <b>Eltings Corners</b>        | \$3,926,893                  | \$36,998                                                   | \$25,487                                                | \$11,511                                                     | \$31,664                                                             |
| <b>Newburgh Office</b>        | \$3,150,295                  | \$501,111                                                  | \$569,089                                               | (\$67,978)                                                   | \$114,860                                                            |
| <b>Overall SIR Program</b>    | \$116,485,802                | \$5,893,409                                                | \$3,321,461                                             | \$2,571,948                                                  | \$5,849,471                                                          |

\* - Total includes actual costs incurred from January 1, 2022 to February 28, 2022 and projected costs for March 1, 2022 to December 31, 2022

\*\* - The amount noted includes early MGP costs across multiple sites, including Bayeaux Street MGP, that were grouped into one number through 12/31/2011

**Table 2 - Status of SIR Program (non-Potentially Responsible Party Sites) for Central Hudson Gas and Electric Corporation**

| Site Name              | Current Status                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        | Reporting Year - 2021 |    |    |    | Variation from Projection* Y/N | Projected Year - 2022 |    |    |    |
|------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------|----|----|----|--------------------------------|-----------------------|----|----|----|
|                        |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       | Q1                    | Q2 | Q3 | Q4 |                                | Q1                    | Q2 | Q3 | Q4 |
| <b>Newburgh Office</b> | In accordance with the approved Remedial Investigation Work Plan, investigation activities commenced in June and were completed in October 2021. An annual Sub-slab Depressurization System ("SSDS") report, as required by the operations and maintenance ("O&M") plan, was submitted to the NYSDEC in November 2021. The report concluded that the system operated effectively and efficiently. The NYSDEC approved the report in December 2021. Quarterly groundwater sampling events were completed in 2021 and results were submitted to the NYSDEC. The remedial investigation summary report was submitted to the NYSDEC for review in March 2022. Central Hudson will continue to perform quarterly groundwater sampling and SSDS O&M events and provide summary report submittals as required by the NYSDEC. | RI                    | RI | RI | RI | N                              | RI                    | RI | RP | RP |

\* - If variation is yes a description and explanation is provided in Section 5.3.3 of the report

Site Characterization  
 Remedial Investigation  
 Remedial Planning  
 Remedial Action  
 Operation, Maintenance and Monitoring  
 No Further Action Required

SC  
 RI  
 RP  
 RA  
 OMM  
 NFA

**Table 3 - Site Specific SIR Costs (non-Potentially Responsible Party Sites) Incurred by Central Hudson Gas and Electric Corporation**Site Name: **Newburgh Office**Site Type: **Newburgh Office Headquarters**

| Reporting Period Costs - 2021 (\$) |                    |                  |                                |            |                                            |            |                  |                  |
|------------------------------------|--------------------|------------------|--------------------------------|------------|--------------------------------------------|------------|------------------|------------------|
| Cost Element                       | Site Investigation |                  | Site Remediation & Restoration |            | Site Operation, Maintenance and Monitoring |            | Total SIR Costs  |                  |
|                                    | Projected          | Actual           | Projected                      | Actual     | Projected                                  | Actual     | Projected        | Actual           |
| Consultant and Contractor Costs    | \$501,111          | \$569,089        | \$0                            | \$0        | \$0                                        | \$0        | \$501,111        | \$569,089        |
| Other Costs*                       | \$0                | \$0              | \$0                            | \$0        | \$0                                        | \$0        | \$0              | \$0              |
| <b>Total Costs</b>                 | <b>\$501,111</b>   | <b>\$569,089</b> | <b>\$0</b>                     | <b>\$0</b> | <b>\$0</b>                                 | <b>\$0</b> | <b>\$501,111</b> | <b>\$569,089</b> |

| Projected Costs for Upcoming Reporting Period - 2022 (\$) |                    |                                |                                            |                  |
|-----------------------------------------------------------|--------------------|--------------------------------|--------------------------------------------|------------------|
| Cost Element                                              | Site Investigation | Site Remediation & Restoration | Site Operation, Maintenance and Monitoring | Total SIR Costs  |
| Consultant and Contractor Costs                           | \$114,860          | \$0                            | \$0                                        | \$114,860        |
| Other Costs*                                              | \$0                | \$0                            | \$0                                        | \$0              |
| <b>Total Costs</b>                                        | <b>\$114,860</b>   | <b>\$0</b>                     | <b>\$0</b>                                 | <b>\$114,860</b> |

\* TBD - Other Costs will be broken down into categories as determined by Central Hudson Electric & Gas and shall include internal costs and regulatory costs.