



NEW YORK STATE SENATOR

James L. Seward

Senator Seward Applauds Passage of Low-Cost Power Program

JAMES L. SEWARD March 8, 2011

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ALBANY, 03/08/11 – State Senator James L. Seward (R/C/I–Oneonta) today announced senate approval of “Recharge NY,” creating a new, permanent program that would provide low-cost power to help businesses create and retain jobs.

“As the author of the original ‘Power for Jobs’ legislation, I am pleased to support a worthy replacement that will continue to provide a real lifeline for our upstate businesses,” said Senator Seward. **“By plugging in to ‘Recharge NY’ businesses will be able to lower their electricity bills, create and retain jobs, and generate economic growth.”**

The original “Power for Jobs” program began in 1997, when Seward was chairman of the senate energy committee, and has been extended on a year-to-year basis the past five years. It currently provides low cost power to about 500 businesses. The new program would provide twice the wattage and businesses participating in the program would receive seven-year commitments for their allocations of low-cost power. There would be no cost to the state for this program.

“Making the program permanent and providing a long-term commitment offers businesses much needed stability. This also sends a positive message to companies thinking about moving to New York and lets them know the Empire State is open for business,” Seward continued.

The Recharge NY bill, which was submitted as a program bill by Governor Andrew Cuomo and is included in his 2011-12 executive budget, would double the amount of low cost power available for businesses and non-profits to 910 megawatts.

The new low cost power program could help revitalize the manufacturing sector of New York’s economy that has lost 288,000 jobs over the past ten years. Electric rates for businesses in New York are twice as high as rates in other states. New York's high energy costs are a factor when New York-based companies decide whether to stay open or expand, and when new companies decide where to invest.

The bill is supported by the Business Council of New York State, the New York Farm Bureau, NFIB, the Manufacturers Association of Central New York and Environmental Advocates.

“Recharge NY” would combine the current 455 megawatts of power currently used for “Power for Jobs” with another 455 megawatts now used to cut residential electric bill across upstate by two to four dollars per month. In return, the New York Power Authority would provide residential customers with a yearly discount totaling \$100 million through 2013. The discount would be reduced to \$70 million in 2014, \$50 million in 2015 and \$30 million in 2016

and beyond. This phase out would be offset by savings from the scheduled expiration of the electric utility surcharge passed by senate Democrats in 2009, as well as costs paid by NYPA through a combination of hydroelectric power and other resources.

The “Recharge NY” bill is the third program bill submitted by the governor to be passed by the senate; the others being property tax cap legislation and the military voting ballot extension bill.

In addition, the senate has passed bills to establish a state spending cap, provide tax incentives to encourage private sector job creation, and require a supermajority to raise taxes. The assembly has not acted on these bills.

“My colleagues and I in the senate are focused on the issues important to every New Yorker – lower taxes, less state spending and job creation. ‘Recharge New York’ is another important piece of an overall plan to accomplish these goals and move our state forward,” Seward concluded.