



NEW YORK STATE SENATOR

John A. DeFrancisco

## Senate Passes Bill to Create “Recharge NY” Power Program

JOHN A. DEFRANCISCO March 9, 2011

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Senator John A. DeFrancisco (R-I-C, Syracuse) and his colleagues passed legislation (S.3164) yesterday to create “Recharge NY,” a program that would provide low-cost power to help businesses create and retain jobs.

“This bill will provide businesses with a permanent solution for low-cost electricity. With a permanent solution in place, businesses will have the stability they need to make long-term plans for their businesses, and they will be able to create jobs,” said Senator DeFrancisco.

“The current Power for Jobs program requires businesses to receive extensions each year, which makes it impossible to plan for the future,” said Senator DeFrancisco.

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.

The program could help revitalize the manufacturing sector of New York’s economy that has lost 288,000 jobs over the past 10 years. Electricity rates for New York businesses 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 they want 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, Environmental Advocates, the Long Island Association and the Buffalo Niagara Partnership.

The original Power for Jobs program began in 1997 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.

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 be 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.