



NEW YORK STATE SENATOR

Martin J. Golden

## State Senate Unanimously Passes Legislation to Protect New York City Residents

MARTIN J. GOLDEN May 19, 2011

Senator Golden's legislation protects city electric rate payers from a massive increase in rates

Albany – State Senator Martin J. Golden (R-C-I, 22nd District) issued the following statement regarding the unanimous passage of S5353, which he sponsored, that saves New Yorkers from a twelve percent electricity rate increase:

“Today I applaud both houses of the New York State legislature for the unanimous passage of this legislation. We acted today in defense of our constituents to protect them for an unnecessary and destructive rate increase of twelve percent. The passage of this bill will protect ratepayers, allowing for the city to be in compliance with the Federal Energy Regulatory Commission's (FERC) January ruling, and has zero effect on property tax revenue for the city of New York. These proposed rate hikes were set to begin in June, and I'm happy that we acted swiftly to stop this unfair increase.”

S5353/A7511 (Silver), which takes effect once signed into law, guarantees 100% property tax abatements to 'peaker' power plants which do some form of improvements to their current facilities.

This measure ensures that the FERC ruling in January is, which called for a rate increase because of taxes that power plants would have to pay, is essentially nullified. This also gives the older, and dirtier peaker plants incentive to make improvements to become more environmentally friendly.

Peaker plants serve the greater New York City area during the summer months, when power usage peaks throughout the city. The use of these plants are invaluable, and without them we would face constant brown outs and black outs during the summer.

The passage of this bill removes requirements that these power plants will have to pay these property taxes, and thus, preventing them from being passed onto the consumer.