



NEW YORK STATE SENATOR

Kenneth P. LaValle

Senate Passes Landmark “Power NY” Legislation

KENNETH P. LAVALLE June 23, 2011

| ISSUE: **ENERGY, ENVIRONMENT, ELECTRICITY**

New York State Senator Kenneth P. LaValle said the Senate gave final legislative passage to the “Power NY Act” on June 22 to secure the state’s energy future by expanding the availability of affordable, clean and reliable electricity, while also creating jobs and boosting the economy.

“Power NY could help Long Island communities, hosting old and aging plants, with repowering,” Senator LaValle said, “downstate New York needs the power and jobs that the potential repowering of Long Island’s older plants could generate.” LaValle said that earlier this week his legislation providing incentives for the redevelopment or repowering of the Port Jefferson power plant passed the Senate. LaValle also said that Governor Cuomo is on record as wanting to close the Indian Point Nuclear Power Plant which would create an opportunity for Long Island generated power to fill the gap created by the loss of that facility.

Power NY (S.5844) has three main components: it reauthorizes and modernizes the licensing process for major electric generating facilities (also known as Article X), provides incentives to consumers for energy efficiency investments, and explores the potential for additional solar power generation in the state.

Article X of the state Public Service Law, which governs the siting of new electric generation facilities in New York, expired in 2003. Since then, the development of major new facilities has been at a standstill, despite a growing demand because it became more difficult and time-consuming for private investors to secure the necessary permits and environmental reviews to construct power plants. With the creation of Power NY, Article X has been renewed and improved to facilitate the expedited, fuel diverse, and technology neutral review process for the siting of energy sources that are 25 megawatts or larger. Unlike the prior version, Power NY's Article X provisions do not expire, and they increase the opportunity for public involvement in the review process.

New incentives for the construction of energy efficiency projects would also be available for homeowners through an on-bill recovery mechanism. Customers could borrow funds for qualified energy efficient upgrades to their home and pay back the loan through an installment plan included on their utility bill. In addition to increasing energy efficiency, Power NY encourages alternative energy production by including a requirement that the state explore the potential for additional solar energy generation.

The Power NY legislation has support from a broad group of organizations including: Unshackle Upstate, Independent Power Producers of New York, the Business Council of New York State, National Federation of Independent Business, International Brotherhood of Electrical Workers, New York State Building and Construction Trades Council, the New York League of Conservation Voters, Environmental Advocates, the New York Public Interest Research Group, and the New York City Environmental Justice Alliance, among others.

The bill will be sent to the Governor.

