

Energy to Grow New York's Economy



By Arthur "Jerry" Kremer

In this time of cost-cutting, how can New York attract large, private sector capital investments to stimulate the economy, create jobs and put downward pressure on energy costs? How can we do this without eliminating vital services or raising taxes?

The answer is for lawmakers to finally re-enact power plant siting legislation that eliminates regulatory red tape so that new power plant proposals can be reviewed in a rational manner.

Companies considering investing hundreds of millions of dollars in new power plants here in New York have opted to go to other states with clearer regulatory rules and shorter decision times. New York is seen as a mine field of local, parochially-oriented laws that can easily stop any major power plant proposal.

Economic development realities must spur the adoption of a new siting law – this year.

In his campaign position papers, Governor Andrew Cuomo spoke stridently and clearly of this need: "An important element of increasing the availability of new power generation from renewable fuel sources and other advanced technologies is enacting simplified regulatory process to site new energy plants."

He notes, "New York State is without a key tool to ensure both expedited development of new generation sources and robust community input into siting decisions." The fundamental, common sense components of it, as Governor Cuomo has outlined, should include being fuel-neutral. Both business and labor strongly agree on this point.

Unfounded environmental claims and zealotry evident in a Paterson Administration proposal to implement extensive water intake projects at power plants, which would cost \$8 billion, or more than \$400 for every man, woman, and child in the Empire State succeeded in chasing energy investors away. Regulatory obstacles at the federal level have also hampered efforts to secure a long-term energy outlook for New York.

Nearly four years after Westchester's Indian Point Energy Center - which typically supplies over 25 percent of downstate's electricity - applied for license renewal; a final decision is stalled by baseless NIMBY objections, despite passing the US Nuclear Regulatory Commission's own tests for safety and environmental impact. Such inaction places businesses, consumers and ratepayers in an untenable position threatening our existing baseload capacity and undercutting the power to support our long-term growth, job creation and retention when we need it most.

Arthur "Jerry" Kremer is the Chairman of the New York Affordable Reliable Electricity Alliance (New York AREA). A 23-year veteran of the New York State Assembly, he chaired the prestigious Ways and Means Committee for 12 years. He served by appointment of the Governor on the Metropolitan Transportation Authority's Capital Review Board and the Public Authorities Control Board. Mr. Kremer is also a principal author of the state's now expired power plant siting law.

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The New York Affordable Reliable Electricity Alliance (New York AREA) is a diverse group of business, labor, environmental, and community leaders working together for clean, low-cost and reliable electricity solutions that foster prosperity and jobs for the Empire State.

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