

Exporting Jobs Hurts New York's Economic Recovery



By Carl J. Cannizzaro, P.E.

A recent report from New York State Comptroller Thomas DiNapoli details the chilling impact of rising energy costs on New York's working families.

According to Comptroller DiNapoli, the statewide average cost to heat a home by oil was \$2,757 from April 1, 2010 to March 31, 2011, an increase of \$492 from the previous 12-month period. If current prices are maintained over the next 12 months, that same home will cost an additional \$535 or \$3,784 to heat. That's a 45 percent increase or \$1,027 more in just two years with even bigger increases for those living in colder regions of upstate New York.

Comptroller DiNapoli's report also details the impact of rising energy costs on government budgets. New York City's May 2011 financial plan forecasts energy costs of \$903 million rising to \$1.1 billion in FY 2015. The Metropolitan Transportation Authority's (MTA) energy costs nearly doubled from \$261 million in 2003 to \$515 million in 2010, as oil and natural gas prices rose and utility companies increased rates and charges. The MTA's February 2011 financial plan projects energy costs to hit \$698 million by 2014 with recent trends pushing that higher.

Additionally, working families have also witnessed unrealistic proposals to close Indian Point – a safe, cost-stable baseload power resource directly responsible for tens of thousands of regional jobs. With no power plant siting law on the books, closing Indian Point would only force New York to export these jobs, along with billions in economic activity, while further leaving New York State at the mercy of cost-fluctuating power imported from out-of-state, all with no economic benefit to New York.

Candidly, it makes no sense.

To spur growth, Albany must do more than commit to rebuilding our crumbling infrastructure and facilitate greater private sector investment in communities large and small. Our state leaders must also work to reduce the cost of energy, maintain the state's existing baseload energy capacity, lift the moratorium on natural gas development of the Marcellus Shale and implement a new power plant siting law.

The simple fact is New York is already paying handsomely for reliance on imported power – and receives none of the benefits. Importing more power from out of state not only makes New York State less energy independent, but will only impede New York's long-term economic recovery.

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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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