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Energy officials hints at policy shift

New power-plant siting law could include provision that makes building electric facilities in state easier

By **Larry Rulison**

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ALBANY -- In what appears to be a subtle shift in energy policy, Gov. Eliot Spitzer's top energy official said Wednesday that "all new clean power-generation sources" could be included in a new power-plant siting law.

Paul DeCotis, deputy secretary for energy, made the comment during the annual legislative breakfast of the Energy Association of New York State, a trade group that represents utilities, including National Grid.

A new siting law would help pave the way for electric power plants to be built in the state by streamlining the regulatory and permit-granting process.

Although the state's electricity needs are currently being met, projections show more generation may be needed by 2012 to meet growing demand, especially in metropolitan New York City.

A previous law, known as Article 10, expired in 2003. But the Legislature has not been able to agree on how to write the law.

Last year, disagreements over nuclear and coal plants blocked approval. While the Senate wanted nuclear and coal plants included, the governor and the Assembly wanted to keep nuclear out and to limit coal.

DeCotis did not mention any specific fuel sources in his speech Wednesday. But he said that getting a new siting law passed this year was a priority for Spitzer.

"We are optimistic that this can be done," he said. "Now we have to make it happen."

Representatives of power plants in New York at the breakfast were pleased.

"This is a step in the right direction," said Gavin Donohue, president of the Independent Power Producers of New York, an Albany trade group that represents power plant owners. "This was a really nice change."

But a spokesman for the governor, Michael Whyland, issued a statement late Wednesday that appeared to put a damper on those feelings.

"This is a dynamic process," Whyland said. "We're at the earliest stages of negotiations with the Legislature this year. At this point, we have not decided to make any changes from last year's position."

In his State of the State address, Spitzer listed a streamlined siting law as a major priority, but specific fuels were not mentioned.

Scott Reif, a spokesman for state Senate Majority Leader Joseph L. Bruno, said it's important to pass a new siting law "as soon as possible so we can encourage financial investment in new, clean-power generating plants that would result in more competition and lower rates."

Spitzer has been keen on reducing greenhouse gases created when fossil fuels such as coal, oil and natural gas are burned to generate electricity. Nuclear power and renewable energy sources like wind and hydro do not emit carbon dioxide, and new technologies can make coal burn with fewer emissions.

Spitzer is also aggressively pursuing a policy called "15 by 15" that is designed to reduce energy consumption in the state by 15 percent by 2015.

Said Garry Brown, the new chairman of the state Public Service Commission, which regulates the state's energy market: "Even if we achieve 15 by 15, that's not going to mean we won't need new power plants. We're going to need a new siting law to help us get there."

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