



RELIABLE NEWS

The official newsletter for the New York Affordable Reliable Electricity Alliance

Summer 2008

The Power Behind a Growing New York

Independent Safety Evaluation at Indian Point

On April 28, 2008, the Indian Point Independent Safety Evaluation Panel held two public meetings in Cortlandt, NY to provide individuals with the opportunity to ask questions about operations and safety at the Indian Point Energy Center.

Prior to the public meetings, the Coalition of Labor for Energy and Jobs, a group of New York State labor leaders, held a separate event to voice their support for Indian Point and discuss the facility's safety record and economic significance to the region.

Labor leaders at the event included Dominic Marzullo, Business Agent for the Utility Workers Union of America, AFL-CIO Local 1-2; Jerry Connolly, Retired Business Manager and Secretary Treasurer of the Boilermakers, Local 5 New York, and Bob Seeger, Business Manager, Millwright & Machinery Erectors, Local 740.

"Energy should be commended for going above and beyond the re-licensing process by allowing for the independent panel review," said Connolly. "Indian Point is vital to the economic stability of Downstate New York."

The formation of the 12-member independent panel was announced on March 19. The co-chairs of the independent panel are Dr. James Rhodes, former CEO of the Institute of Nuclear Power Operations, and Dr. Neil Todreas of the Massachusetts Institute of Technology.

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MEMBER SPOTLIGHT:

Professional Women in Construction Fighting for Economic Opportunity

For the past 28 years, Lenore Janis and the Professional Women in Construction (PWC) have been committed to advancing professional, entrepreneurial and managerial opportunities for women and other "non-traditional" populations in construction and related industries.

PWC, co-founded by Janis in 1980, was designed to help foster opportunities for women in the higher ranks of the construction industry. Members include real estate owners and developers, property managers, and public agencies.

Janis was born and raised in a family that ran a successful steel fabricating plant and erection firm headquartered in Peekskill, and it was only natural that she followed in the same path.

"With two young children to support, I entered the family's business in 1972," said Janis. I became so enamored with this industry, that when I learned about new government programs to assist woman and minority-owned businesses in 1979, I started up the first woman-owned steel erection company in the area."

To say it was hard for Lenore Janis to carve a niche for herself in the construction business is an understatement. "When I started out, women were not welcome anywhere in or near a jobsite," she said. "There was no equal pay for women and in fact, you were doing well if you were anything more than an office worker."

During the time that Janis was the owner of the steel erection company, she realized that banks and creditors were not willing to provide loans for female business owners without a male co-signer. "It took the federal government stepping in to make a difference," said Janis.

Today, under Janis' leadership, the PWC boasts a membership of over 1,000 women and men, more than 10,000 contacts in their



Lenore Janis, president and co-founder of the Professional Women in Construction

database and chapters in New York, New Jersey, Connecticut, Pennsylvania and Washington D.C. A South Florida chapter is also in the works.

Recently, New York AREA was a sponsor of PWC's first ever forum on energy. "Our April forum was the first time energy was addressed at one of PWC's events and it was well received," Janis said. "Our members are very interested in energy issues."

Speakers at the forum included New York Power Authority Engineer Maribel Cruz Brown, DMJM Harris Program Manager Donna Potorti, and Kim Slicklein, founder of Enclave Rising, a real estate development company.

To further its commitment to education, PWC participates in the New York City School Construction Authority internships program, is an Architecture, Construction and Engineering Mentor Program supporter, and currently has plans to offer a scholarship for women seeking a Master's Degree in Construction Management and Administration.

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CHAIRMAN'S REPORT

By Jerry Kremer

Changing of the Guard on Energy Policy

The changing of the guard earlier this year in New York State government may help break the logjam over energy policy. With a new Governor and new Chairs on the Energy Committees, it might be a whole new ballgame.

The combination of economic growth, increasing energy demand, and a lack of new large power plants has left downstate New York with a projected shortfall of at least 2,000 megawatts of electricity by the year 2012. That's enough energy to power roughly two million New York homes.

No new major energy projects are in the pipeline because Article X, the statute allowing the siting of new energy facilities, expired more than five years ago. Now more than ever it is critical that we put policies in place to guarantee that we can meet the future energy demands of a growing state.

Governor David Paterson is well versed in energy policy, and he will be an asset in getting a new power plant siting law. Keeping all of our energy options on the table is fundamental to meeting New York State's energy and environmental goals moving forward.

Both the State Assembly and the Senate have new Chairs of their respective committees. Senator George Maziarz (R) is open to new energy policies for the state. Assemblyman Kevin Cahill (D) brings an energetic and positive attitude to the job and has consistently been an outspoken advocate for power plant siting legislation. In light of the Governor's reputation for bipartisanship and the new leadership in the energy committees, there is a legitimate chance for progress.

Our three new leaders have a lot of work to do, as there is strong opposition to any new key energy projects and policies. For example, the much-needed Broadwater liquefied natural gas (LNG) terminal off Long Island Sound has been rejected after facing consistent and strong community opposition. Broadwater has since appealed to the U. S. Department of Commerce. The Broadwater project would benefit consumers and businesses by providing clean energy and help attract businesses and create jobs for downstate New York.

With the projected regional shortage of power in the near future, an influx of new power from projects such as Broadwater is needed. We also need new renewable energy sources and the siting of new transmission lines to bring the power to areas in need.

Last year the state opposed and blocked New York Regional Interconnection's (NYRI) \$2.1 billion power line proposal which would have added 1,200 megawatts of power

to the region. The state is urging FERC to do the same, even though the NYRI project would increase the capacity of the state's electrical grid and supply more electricity to New York City and the downstate region.

Local not-in-my-backyard (NIMBY) activists blocked TransGas Energy's proposal to build an underground steam and electrical plant in Brooklyn, which would have supplied 1,100 megawatts for New York City.

Indian Point, which supplies 2,000 megawatts to the region, enough to power approximately 2,000,000 homes, is facing state opposition. Local officials and environmental groups want to see the power plant's license renewal application denied.

The Lovett Generating Plant in Stony Point, Rockland County which generated 183 megawatts of electricity, recently shut down and there are no plans to replace this energy.

The 885-megawatt Charles Poletti Power Project in Astoria, Queens is scheduled to be closed in 2010. A new replacement 500-megawatt power plant - that would use combined-cycle technology to consume 30 percent less fuel per unit of electricity than a conventional power plant - is to be built for its replacement, but it too is being opposed by the City Council.

In the face of all this opposition to bringing new alternative power on line and keeping what is clean and efficient, there are still many exciting new plans for the development of commercial office space, homes, hospitals, schools, and other projects that will make New York State a better place to live and work.

Unless we have the power to back it all up, some of these projects will be pushed aside. Hopefully, the new leadership in New York will recognize the power deficit that will soon be threatening our state and the fact that the window of time is closing very soon.

So, let's act now to make sure that we have a clean, reliable, and ample supply of energy to make the projects of today and tomorrow a reality for all New Yorkers. *



Published by the New York Affordable Reliable Electricity Alliance

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Website: www.area-alliance.org
Contact: info@area-alliance.org
Circulation: 11,400

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Energy Infrastructure Update

ConEd Invests for Summer

Consolidated Edison Company of New York, Inc. (Con Edison) will invest more than 1.7 billion this year to upgrade and reinforce its electric delivery system.

The investment is the highest amount ever spent in anticipation of peak summer electricity usage, and includes the installation of approximately 10 million feet of cable, more than 1,700 new transformers, and the opening of two new substations.

Con Edison's efforts may pay off: During the early June four-day heat wave, their customers set a record high for electricity use for two straight days. According to the company, 12,987 megawatts (MW) of electricity was delivered to customers on Tuesday, June 10, and 12,684 MW that Monday.

During the winter months from December to February, Con Edison also delivered a record high of 14,732,319 megawatt hours of electricity to customers.

In an effort to combat the 20 percent increase in energy consumption experienced by the company in the last decade, Con Edison has also proposed a myriad of residential and commercial programs aimed at energy efficiency and conservation to its 3.2 million customers.

Con Edison chairman and CEO Kevin Burke stated that, "Energy efficiency and conservation programs, plus annual investments in our delivery system, are essential for keeping pace with growing

energy demand while protecting the environment."

To read more about Con Edison's programs, visit them online at www.coned.com.

Broadwater Update

Broadwater Energy is currently preparing an appeal for the state's rejection of their proposal of placing a liquefied natural gas barge in the Long Island Sound.

Simultaneously, the Federal Energy Regulatory Commission is reassessing their approval of the natural gas barge project as well. Spokesperson Tamara Yong-Allen from the Regulatory Commission said "We're giving ourselves an unlimited time frame to determine if the March 20th decision is to stand. It's purely a procedural order."

In June 2008, New York AREA member Dr. Matthew Cordero of the Long Island University Center for Management Analysis published an issue brief discussing the options now faced by Broadwater in light of this latest opposition.

The issue brief, titled, "Broadwater: Will it Still be Built?" can be found on the New York AREA website, www.area-alliance.org.

Wind Farm off of Jones Beach

An offshore wind energy project developer, Winergy, LLC, is interested in placing a 940 megawatt wind farm consisting of 190 to 260 turbines off the coast of Jones Beach by 2012.

Earlier in the year, the Long Island Power Authority turned down a similar proposal to build wind turbines about 3.5 to 5 miles from the coast of Jones Beach.

Winergy has completed applications in order to build three test wind turbines that would be located off the coast of Plum Island, just beyond the northeastern tip of the North Fork of Long Island. Winergy aims to have the wind farm up and running by 2009.

Lovett Plant Closes

The Lovett Power Plant is now closed, leaving more than 60 plant workers unemployed. Plant owner Mirant was ordered by the state to cease operations after failing to reduce emissions from the coal-burning plant with new technology as dictated in a 2003 lawsuit.

Senior workers will be transferred to another Mirant-owned facility, Rockland County power plant, Bowline, but everyone else will lose their jobs, according to Jim Humphrey, the president and business manager of Local 504 of the International Brotherhood of Electrical Workers.

The shutdown of Lovett power plant will also result in the town and county losing more than \$3 million in combined revenues.

"For the town, we're going to have to absorb about a \$1.5 million loss in revenue, which obviously we're going to have to make up by cutting budget or increasing taxes," said town supervisor Philip A. Marino. *

ConEdison and Union Come to a Contract Agreement

After sessions of heated contract negotiations, Consolidated Edison (Con Edison) and the Utility Workers of America Local 1-2 reached what is being called a tentative agreement on July 2nd, avoiding a potential walkout of nearly 9,000 workers.

Negotiations were held up in part because of

a proposal by Con Edison to offer new employees a 401K-type retirement package as opposed to a traditional pension plan. The proposal has since been shelved.

Union workers are responsible for the maintenance of Con Edison's extensive gas, electric and steam delivery systems for some

three million customers throughout New York City and Westchester County. To avoid a loss in manpower during the peak summer months, Gov. David Patterson stepped in during negotiations at the end of June, asking both sides to take a break before coming back to the table. *

Downstate New York Fails to Make the Grade, Again

In a repeat of last year's dismal *State of the Air* report card from the American Lung Association, the Hudson Valley and New York City area again failed to score high marks with regard to air pollution.

The ALA issues the annual report card on air pollution for the U.S., ranking cities most affected by three types of pollution: short-term particle pollution, year-round particle pollution and ozone pollution. New York City ranked number 8 among the top ten cities

most polluted by ozone, with three California cities taking the top three spots.

Among the counties in New York City and Long Island, Richmond and Suffolk counties both received an "F" for their high ozone days, as did Westchester County. For their high concentration of particle pollution, Manhattan, Queens and The Bronx all received failing marks from the ALA.

Cities that are reportedly the least polluted in New York State include Elmira in the west and Utica to the north. Overall, according to the report, the cleanest air can be found in the western part of the country, and the most polluted air concentrated in the industrialized cities of the Mid-Atlantic States.

In general, the ALA report found that:

- One in 10 people in the U.S. live in areas with unhealthy levels of all three types of pollution: ozone, short-term and year-round particle pollution.



- Two of five people in the U.S. live in counties that have unhealthy levels of either ozone or particle pollution.
- Nearly one-third of the U.S. population lives in areas with unhealthy levels of ozone.

In the lower Hudson Valley and New York Metropolitan area, many of the counties that scored low on the ALA charts are also densely populated and are home to at-risk groups like senior citizens and children. Some ailments attributed to or made worse by high concentrations of air pollution include asthma, diabetes, chronic bronchitis, emphysema and cardiovascular diseases.

To view the 2008 ALA *State of the Air* and other ALA reports, visit www.stateoftheair.org. *

Photo Courtesy of Dr. Edwin P. Ewing, Jr.



Smog hovering over New York City

Professional Women in Construction

Continued from page 1

These different programs are geared towards boosting the number of women in the construction industry. Currently, only five percent of the working women in the U.S. work in construction, up from 2.3 percent in 1995.

In 1978 before Janis co-founded the PWC, she heard of the National Association of Women in Construction (NAWIC) and attended one of their meetings. It was there that she met the other 11 women who would eventually join her to form PWC.

"NAWIC didn't seem to serve our needs. It was made up of mostly office workers and was more

a social group for women only," said Janis. "Because we recognized the necessity of making contacts and building business relationships in the industry, shortly after starting PWC, we made the decision to include men."

Before dedicating herself fully to PWC, Janis did a stint in government. In 1986, Mayor Ed Koch appointed her the first female Director of the Bureau of Building Management of the New York City Department of Sanitation. She was also in charge of special projects for the Mayor's Office of Construction under Mayor David Dinkins' administration.

Janis is no stranger to dealing with energy issues. She's lived through both the 1978 gas shortage and the 2004 blackout in NYC.

"My first inclination is to pull the plug on all electronics at home and make a huge effort to conserve," Janis said. "We've gone wild with consumption."

"During the '78 gas shortage, when cars were lined up for miles waiting to buy fuel, carmakers made no attempt to offer more fuel efficient cars. Automobiles just got bigger and bigger. Now all of a sudden with gas reaching

more than \$4 a gallon, manufacturers are starting to make smaller cars."

Janis recognizes that these same energy issues have changed the construction industry as well. "Designers today will have to find a way to have a building operational once it's built. And that includes powering it," she said.

As for the future of women in construction, Janis maintains a reserved optimism. "A few remarkable and accomplished women have managed to break through the concrete ceiling and now head up large and mid-sized construction and architectural firms," she said.

"But," Janis continued, "we still represent a fraction of the industry, and the public perception continues to be that construction is an atypical arena for women. Young women remain reluctant to pursue careers in what I consider to be one of the most vibrant and exciting industries."

During her tenure in the construction industry, Janis has been honored by numerous organizations, including the National Organization for Women (NOW) and the Association for Women in Communications.

For more information on Ms. Janis and the Professional Women in Construction, log onto www.pwcusa.org. *



Speakers at PWC's Energy Forum (L to R): Lenore Janis, PWC; Peter Meloro, Con Edison; Maribel Cruz-Brown, New York Power Authority; Albert DiGuilio & Donna Potorti, DMJM Harris / AECOM; Henry Bartoli, Hitachi Power Systems America; Kim Slicklein, Enclave Rising.

Wawayanda Power Plant on the Horizon

Orange County could soon be getting a power surge. Competitive Power Ventures (CPV), a greenfield development, asset management and transaction company, plans to build a 630-megawatt natural gas power plant in Wawayanda, NY.

Recently, in nearby Tompkins Cove, Mirant's Lovett Power Plant went offline, displacing 61 workers and taking 350 megawatts of power off the local grid.

The \$700 million "Valley Energy Center" project, slated to be built between Route 6 and Interstate 84, would be located on 122 acres. It is expected to draw natural gas from the Millennium Pipeline, an underground natural gas pipeline along the lower Hudson Valley and Southern Tier.

CPV representatives state that the plant will be constructed using clean technology, adding electricity to the area's Marcy-South power lines.

The proposed Valley Energy Center would:

- Have a power output of 530 megawatts, with peaking capacity of 630 MW- enough to power 600,000 homes;
- Create 400 construction jobs and an estimated 20 to 30 permanent positions;
- Employ combined-cycle generation: two turbines would operating on natural gas and a third on steam, and
- Use air, rather than water, for cooling.

The height of the turbine structures would be roughly 75 to 90 feet, the condensers, 125

feet, and the exhaust stacks, 250 feet.

CPV's project would boost the local economy if approved; taxes are estimated at \$30 million over 20 years. The company is seeking a payment-in-lieu-of-taxes arrangement through the Orange County Industrial Development Agency.

"The potential is there for a good project, but there are too many details at this point that we don't know," said Wawayanda Town Supervisor John Razzano.

The project will require an 18-month approval process and nearly 30 months of construction, although New York State's lack of an Article X power plant siting law might cause things to progress at a slower pace. *

Independent Safety Evaluation at Indian Point *Continued from page 1*

Members of the ISE panel include:

- **Kenneth E. Brockman** – President and principal consultant with MEM, LLC, with over 30 years of experience with a variety of companies and agencies, including the International Atomic Energy Agency, Nuclear Regulatory Commission, Detroit Edison Company and Westinghouse Electric Company.
- **John S. Dyson** – Chairman of Millbank Capital Management, former New York State Commerce Commissioner, NY Power Authority Chairman and New York City Deputy Mayor.
- **Elmer J. (Buzz) Galbraith** – A senior assistance representative and team manager with the Institute of Nuclear Power Operations with more than 45-years of experience working with Public Service Electric & Gas Company and Washington Public Power Supply System. He also served 20 years in the U.S. Navy, ultimately attaining the position of commanding officer of a nuclear submarine.
- **Maureen O. Helmer** – An attorney practicing law in the areas of energy, telecommunications and ethics, and the

former chair of the New York State Public Service Commission, an agency she led from 1998 to 2003. She also served as chair of the New York State Board on Electric Generation Siting and the Environment.

- **William F. Kane** – President of WFK Associates, LLC with 34 years of experience in various roles and responsibilities with the Nuclear Regulatory Commission, including serving six years as deputy executive director for operations.
- **Cristine McCombs** – Director of state government programs for Beck Disaster Recovery, a provider of program management services for hazard mitigation, emergency preparedness and planning, response and recovery. She is also the former director of the Massachusetts Emergency Management Agency, where she was responsible for emergency planning for communities surrounding three nuclear facilities.
- **Dr. Harvey M. Stevens** – President of Stevens Associates, a technology firm specializing in technical and security engineering support to government and

industry. He has over 25 years of professional expertise in the fields of emergency planning, risk analysis, counter-terrorism, and threat assessment.

- **Martin Vonk** – An emergency preparedness consultant whose 30+ year career includes positions with the Nuclear Management Company, Commonwealth Edison, Exelon Nuclear and the University of Missouri.

On March 27th, the independent panel began their assessment with a visit to the Indian Point facility in Buchanan, NY, and will follow up with meetings and inspections at later dates.

"I have no doubt that the independent review of Indian Point will be comprehensive and fair and call the facts as they see them," said Arthur "Jerry" Kremer, New York AREA chairman. "Indian Point's three decades of safe operation should not be overlooked, nor should the fact that the plant's owner Entergy has spent millions of dollars upgrading Indian Point's safety systems and engineering."

Once completed, the independent panel will make its official report on the findings of the evaluation available to the public. *

An Upstate New York Community Embraces Wind Power

The Town of Fenner in Upstate New York is home to 20, 1.5 megawatt General Electric manufactured wind turbines. In total, the Fenner Windpower project can generate up to 30 megawatts of electricity, enough to power more than 7,000 homes.

Recently, a New York AREA delegation visited the wind farms for a closer look.

With a population of approximately 1,700, Fenner's wind farm is unique in that it was built without the usual not-in-my-backyard "NIMBY" opposition met by other wind farm projects across the country.

Fenner residents embraced the project and worked with the developer, Canastota Windpower, LLC, to determine the location of the turbines. Construction of the wind farm began in June 2001, and the wind farm



The Fenner Wind Farm in Upstate New York

became fully operational by November of the same year. At the request of the community, Canastota Windpower also built 6.6 miles of transmission lines underground to maintain the open land aesthetics.

Electricity produced by the wind farm is delivered to the Niagara Mohawk Power Corporation transmission system. The project is also interconnected with the NYISO through a substation, and electricity from the Fenner wind farm is sold throughout the State of New York to environmentally conscious organizations and businesses such as SUNY Buffalo and the U.S. General Services Administration.

The turbines generate the most electricity during the fall and spring when wind levels reach optimal speeds. They spin at a maximum of 21 revolutions per minute and the individual blades can rotate 180 degrees to accommodate different wind speeds and angles.

In 2007 the turbines reached 37 percent production capacity, their highest to date, and generated enough electricity to power 12,000 homes.

The blades are controlled by individual computers that adjust the angles until the greatest power can be generated. Smart



Close-up of a wind turbine on the Fenner Wind farm, as seen during a recent tour taken by New York AREA

technology within the turbines remembers characteristics of the wind and the optimal angles of blade performance, which increases efficiency over time.

Noise complaints, common with populations that reside near wind turbines, have not been an issue at Fenner. Town Supervisor, Russell Carey, said "The [wind turbines] don't make half the noise a car going by your house does."

Mr. Carey described the wind turbines as a very positive development for the town. The 20 turbines sit on 14 farms; farmers plow and cows graze around them. The farmers worked with the developers and receive about 2 percent of the revenue, amounting to about \$6,000 to \$8,000 annually.

Beyond monetary aid for farmers hosting the turbines, the town itself has reaped the benefits: according to NYSERDA, the wind farm brings in \$150,000 per year in tax revenues, equal to \$5,000 per installed megawatt.

Supervisor Carey notes that the only problem caused by the wind farms is the loss of crops due to curious observers walking out to get a closer look.

For more information visit: www.thefreecenter.org *



Yes! I want to join the New York Affordable Reliable Electricity Alliance.

I support your efforts to educate communities regarding the necessity for safe, reliable energy and advocacy to ensure that New York has an ample and reliable electricity supply and economic prosperity for years to come.* Enclosed is my tax-deductible contribution of:

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* Conditions of membership apply. For more details send inquiries to info@area-alliance.org. New York AREA is a 501(c)(6) IRS Tax-Exempt Organization that advocates for reliable, affordable, and clean energy solutions, as well as conservation measures, for New York and all New Yorkers.

Ethanol Production Questioned in the Face of Soaring Food and Gas Prices

Not long ago hailed as the answer to consumers' increased fuel consumption, ethanol is now feeling the burn of bad publicity. The alternative fuel, included in the current federal administration's plans to decrease dependence on foreign oil, is being named as one of the culprits behind rising high food prices by both consumers and experts alike.

And while the new Farm Bill includes incentives for ethanol derived from non-food products, Americans have started complaining to their elected officials.

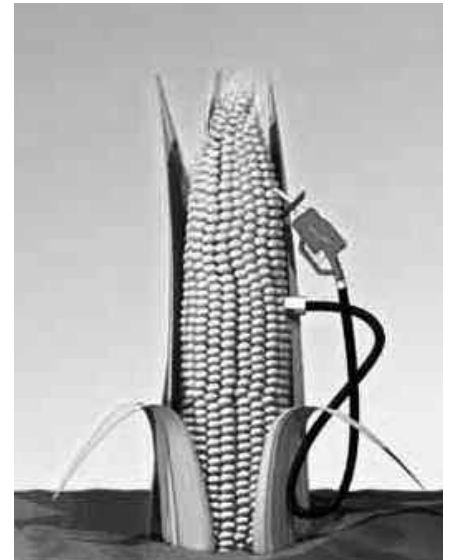
"Consumers are starting to get restless and Washington is starting to listen," said Morningstar analyst Ann Gilpin, who follows Decatur, Ill.-based Archer Daniels Midland, the country's second-largest ethanol producer.

This would be a particularly bad situation for a \$350 million ethanol plant planned for a section of the Port of Albany. The plant is slated for development over 18 acres on the west bank of the Hudson River. According to Albany Renewable Energy, LLC (A.R.E.), the project's developer, the corn-based ethanol plant has the potential to produce upwards of 110 million gallons of ethanol per year.

The plant's construction is estimated to employ nearly 400 workers, with the promise of 50 to 60 full-time jobs once operational. A.R.E. could inject \$20,000 a year per acre into the local economy for the lease of the site for at least 20 years if the project is approved.

Amidst recent concerns about the economic impact of corn-based ethanol, A.R.E. President Ed Stahl said the company was looking into replacing corn with molasses. "We're simply exploring at this stage whether the use of molasses as a source of sugar enhances the production of ethanol," said Stahl, "...whether technically a corn-based plant can accept this liquid stream of high sugar content material as an additional source of fermentable sugars, and does the cost of that product make economic sense."

If Washington listens to concerned constituents and decreases the annual amount of biofuels added to the fuel supply, the "burgeoning" ethanol industry will take a huge hit, affecting the viability of plants like the one proposed by A.R.E. The current Administration sought to increase biofuel production to 9 billion gallons by the end of this year, increasing to 36 billion gallons by 2022.



According to analysts, it is still unlikely, even with the soaring food prices, that the ethanol mandate will be repealed by Congress; the 10 states that produce over 80 percent of all American ethanol have almost half of the 270 electoral votes needed to win a presidential election.

This issue, however, also extends to Detroit carmakers, which have made ethanol the centerpiece of their environmental efforts. To date, roughly 5 million flex-fuel vehicles have been built, with a pledge in place to make half their fleets capable of burning 85 percent ethanol fuel by 2012. *

Prices of Oil and Natural Gas on the Rise



Iraqi oil refinery

The price of oil is rapidly increasing and has recently surpassed \$140 per barrel—almost twice the amount it cost about a year ago.

Recently, the average cost of regular gas reached over \$4 per gallon across the country, according to surveys done by AAA & the Oil Price Information Service.

As of press time, the average price of gas found in New York was \$4.27; premium gas topped out at nearly \$5.00.

For the summer of 2008, the estimated price of natural gas is set at about \$11 per thousand cubic foot, \$3 more than 2007's \$7 per thousand cubic foot. Additionally, the price of coal has gone up as well.

As a result of increased energy costs, customers are estimated to have higher energy bills as well as residual price increases in food, travel and the multitude of energy-intensive consumer and business services.

Compared to last year, industry experts also predict that the costs associated with producing electricity will increase because of this year's higher natural gas prices.

Even with the higher prices at the pump, it's unlikely that production of crude oil will be increased this summer, according to the Organization of Petroleum Exporting Countries (OPEC). Production is said to remain unchanged until OPEC meets about the topic in September. *

Cazenovia Energy Symposium



In April, New York AREA participated in Cazenovia College's 4th Annual Symposium on Energy in the 21st Century, "Seeking Environmental Solutions Through Partnerships – Government, Business, Environmentalist, Academics."

The symposium featured a morning session with various speakers, a panel discussion, and addresses from local government officials.

David Manning, Executive Vice President of National Grid, served as keynote speaker. In his talk, Mr. Manning discussed the importance of engaging customers in new efficiency initiatives put forth by utility companies in order to make them successful.

Mr. Manning also noted the importance of investing in energy infrastructure and existing and new technologies, and encouraging energy efficiency initiatives.

Morning speakers included Theo Spencer of the Natural Resource Defense Council (NRDC). The Senior Project Manager of the NRDC's Climate Center, Mr. Spencer spoke on the economics of global warming and stated his opinion that the energy crisis debate has moved from science to marketing.

Jodi Smits Anderson, Director of Environmental Programs of the Dormitory Authority discussed the greening of campus buildings and the costs associated with this task.

Other speakers included Ed Bogucz, Executive Director, Syracuse Center of Excellence in Environmental and Energy Systems; Lois New, Chief of Climate Programs and Partnerships, NYS Office of Climate Change; Richard Perez, Atmospheric Sciences Research Center, SUNY Albany, and Thomas Amidon, Professor and Director of the Empire State Paper Research Institute at SUNY College of Environmental Science and Forestry.

Following the keynote address and subsequent discussions, attendees dispersed to tours of the SUNY ESF Wood Chips to Ethanol facility, the Fenner Wind Farm (see article on page 6), the Morrisville College Biodigester, and the FitzPatrick Nuclear Plant. *

Commercial Net Metering Bill Passes in the State Senate

In May, State Senator Owen H. Johnson (4th Senate District, Babylon), chairman of the Finance Committee, announced that the State Senate had passed his legislation (S.7171-B) allowing net energy metering for non-residential solar electric generating systems.

The bill would extend New York's current law, which applies only to residential customers, to allow non-residential customers with solar electric generators to send any extra electricity back onto the grid. Unique to New York's law, and a point of controversy in extending it to commercial customers, is that the net metering customer now receives a credit not only for the power they send back into the grid (the "avoided cost"), but for what would have been the full retail cost of that power if they had purchased it through their utility.

That results in a significant additional subsidy to the customer because it includes a large part of the cost of providing delivery service to that customer, which they normally are obligated to pay, along with a share of their energy taxes and other government added fees.

"In New York now, 'net-metering' means more than the ability to generate your own power and sell the excess back to the grid," said Patrick J. Curran, Executive Director of the Energy Association of NYS. "It means those in a position to take advantage of this get the added 'full retail cost' bonus, that most states don't provide. When a net metering customer doesn't pay their full share of their cost of service and taxes, those costs ultimately shift to other customers, both residential and businesses."

Added Curran, "The cost-shifting of New York's law has always been a problem, but up to now it has been ignored because the

application of the law has been limited and the impact small. But if it is extended to large commercial customers, and we get to the point where there is lots of distributed renewable generation, and lots of net metering customers, the cost burden to New York's energy consumers could be enormous."

"The state's energy utilities do not oppose Senator Johnson's bill because it contains some key protections to limit the impact of cost-shifting," concluded Curran. "But some of the other proposals that have been offered would be very detrimental to New York's consumers and its energy competitiveness" said Curran.

The bill is now being considered by the State Assembly.

"New York's current restrictive net metering law has been an impediment to the widespread use of solar technologies....," said Senator Johnson. "This legislation will promote greater use of solar energy and, in doing so, move us further toward our goal of increasing the proportion of renewable electricity consumers use to 25 percent by the year 2013."

State Senator George Maziarz (R-Niagara) is also sponsoring similar legislation that will include net metering for wind power, which Senator Johnson's bill excludes.

If the commercial net metering law is passed by the Assembly, it will become another example of Senator Johnson's pro-alternative energy bills. The senator is also responsible for legislation in 2005 that made the sale of solar power equipment tax exempt, as well as another bill that provided tax credits to residents who installed solar panels in their home. *