

# Action to Reduce Energy Costs Will Boost Job Growth



By: Kathryn Wylde

Energy costs are high in New York State – nearly twice the national average. This is a major drag on our economy. High energy costs discourage business from creating new jobs here, particularly in high tech sectors that use a lot of power. As we recover from a fiscal and economic crisis, New York should work to reduce energy costs. Instead, some in Albany are either failing to act or putting new obstacles in the way.

One example of this is the Power for Jobs Program that provided discounts on electricity rates through access to cheaper hydro power or a cash rebate. The program, which expired this month, allocated disproportionate benefits to residential and other customers in certain regions of the state, rather than using low-cost power to create jobs and attract business investment in every region. Disagreement over how to reform the program to be more equitable and strategic has resulted in an impasse in Albany, eliminating an important economic development tool.

A second example is a Department of Environmental Conservation decision that Entergy must build cooling towers at Indian Point, unrelated to safety or efficiency. Indian Point, which supplies about 40 percent of New York City's electrical power, is put at risk by this decision because the towers are unaffordable and unnecessary. Building them would lead to another big increase in the cost of electricity. Entergy has put forward a practical alternative to the cooling towers that would address DEC concerns on a much more economical basis, but has been unable to win the agency's support.

Finally, the Legislature and Executive have failed to agree on terms for renewal of Article X, the authority for approving new and upgraded power plants. New facilities are needed to increase competition, reduce pollution and insure an adequate power supply. Yet we cannot agree on an efficient way to process construction permits.

New York is making significant strides on energy conservation and beginning to diversify its supply with alternative and renewable energy sources. But we must also deal with the cost and inefficiency of the state's conventional production and distribution system, upon which New Yorkers will depend for many years to come.

*Kathryn Wylde is President and CEO of the Partnership for New York City and an Advisory Board Member of the New York Affordable Reliable Electricity Alliance.*

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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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