



Lower Hudson Valley faces energy crisis that demands immediate action



By Ross Pepe

The Lower Hudson Valley and Westchester County face a looming energy shortage that could result in blackouts and skyrocketing electricity rates that will threaten our quality life and local economy, according to a new study by the Westchester County Alliance.

This stark reality is the conclusion of a comprehensive study of future energy needs commissioned by a coalition of four of the Hudson Valley region's largest business groups.

A rising population and expanding economy mean the Lower Hudson Valley is fast approaching a situation where demand for electricity will exceed the available supply. The facts are inescapable: Demand for electricity in the region is rising two to three percent each year, but the supply has essentially remained unchanged for years. What's more, we face the potential of taking a giant step backward if the operating license for the Indian Point power plants is not renewed.

The situation is especially precarious in Westchester County, which has not seen a large power plant built in decades.

Electricity consumption in Westchester is rising approximately 100 to 150 megawatts per year, which will result in an 800 megawatt increase by 2015 on top of the current demand of 5,000 megawatts, according to the Westchester Business Alliance study. The surrounding Lower Hudson Valley counties are posting similar increases.

Supply and demand will reach a tipping point soon. Even if Indian Point remains open, natural growth in demand and inflation could easily make power rates rise five percent a year. This would translate to the loss of 2,000 jobs in Westchester County alone by 2017.

If the Indian Point plants are retired in 2013 and 2015 when their licenses expire, power bills in Westchester could jump more than 150 percent by 2017. The result could be the loss of an estimated 11,000 full- and part-time jobs in Westchester alone, with a 20 percent reduction in economic growth. Thousands of residents will relocate to regions with more jobs and lower costs of living.

The need for new sources of electricity is obvious. This is no doomsday prediction but a realistic economic projection for our region. This problem requires a strong, coordinated effort by leaders in Albany and local government to site new power plants and identify companies willing to build and operate them. It can take up to ten years to license, design and build a power plant, so we need to act quickly. Our economy and quality of life depend on it.

Ross Pepe is President of the Construction Industry Council, based in Tarrytown, NY, and is a Board Member of the New York Affordable Reliable Electricity Alliance. (To access the complete energy study referenced above, visit www.westchesterny.org)

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