



NEW YORK STATE SENATOR

Catharine Young

Senate Passes Legislation to Save Jobs, Create More Economic Opportunity for Power Companies

CATHARINE YOUNG June 22, 2012

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ALBANY – Senator Catharine Young (R,C,I – Olean), who has been leading the fight to save the NRG plant in Dunkirk, said “significant progress” has been made through passage of a Senate bill.

Legislation that would preserve local PILOT payments and keep the NRG plant operating while boosting low-cost power allocation for economic growth has cleared the state Senate, announced Senator Young.

The measure, sponsored by Senator Young, is a statewide solution to transition existing power plants to cleaner energy. It requires the New York Power Authority to conduct an analysis and recommend three-year purchase power agreements with electricity generators.

The purchased energy would supplement the state’s ReCharge NY program, which is designed to retain and create jobs through allocations of low-cost power to employers.

“Our initiative would save jobs and protect the community. NRG is the biggest taxpayer in Chautauqua County. The school, city, and county depend on having this plant operated and

it would be devastating if this power plant were forced to go out of business,” Senator Young said.

The proposed repowering of NRG Dunkirk would create the need for up to 500 new jobs during construction and retain jobs after the plant is commissioned.

“Assemblyman Andrew Goodell has been a strong supporter of efforts to resolve the NRG situation,” Senator Young said.

“Negotiations have been occurring between the Senate, Governor Cuomo’s office, and the Assembly. Passage of these bills put forth solutions and advance the discussion even further,” she added.

“I still am optimistic we will reach a final resolution to help the people of Dunkirk and the county. For me, it’s full-steam ahead,” Senator Young said.

On March 14, NRG filed a mothballing notice with the Public Service Commission (PSC), meaning that the commission had 180 days to decide whether a shutdown of Dunkirk's four generating units would create a local energy shortage. Mothballing takes generating units out of service, but allows them to be refired within a three-year period. The end result of this process could initiate a permanent shutdown of the plant.

NRG Dunkirk generates \$40 million annually in wages, tax revenues and locally-procured goods and services for the area. It has over 150 of the highest paying jobs in the region. Earlier this spring, Senator Young introduced stand-alone legislation that recommended the New York Power Authority (NYPA) enter into a three-year purchase power agreement with power plants in Western New York.

The new bill builds on that idea but extends incentives to eligible plants statewide, provided they are repowering using cleaner energy fuels.

“The new bill would use the energy that is purchased from NRG and other eligible power plants in the state to supplement the state’s ReCharge NY program that is designed to retain and create jobs through allocations of low cost power to employers,” Senator Young said.

“Right now, there is more demand by businesses for the ReCharge NY economic incentive program than can currently be met by the state. Establishing a purchase power contract between power plants in the state and ReCharge NY will open the program up to attract more investment in the state by companies that will be able to use the incentives to create new jobs,” Senator Young added.

“Power plants in the state have faced enormous financial challenges. These businesses contribute significantly to the people and economy in their regions. This is crucial legislation that will help grow jobs, promote a clean environment, and revitalize the economy,” she noted.

Senator Young also announced two bills, which she co-sponsored, that will create further incentives for aging power plants to repower and continue investments in the state.

Senate bill 7767 provides that the New York State Power Authority (NYPA) will determine the whether companies are eligible for purchase power agreements. The bill also calls for eligible facilities to safely remove existing generators and install new generators by 2017.

Senate bill 6842 authorizes the NYPA to enter into a purchase power agreement between coal plants in Chautauqua and Niagara Counties and the NYPA to use purchased energy

provided by the state's ReCharge NY program, which is designed to retain and create jobs through allocations of economic development incentives to employers.

“The bills create much-needed incentives for companies to reinvest in the energy infrastructure of New York,” Senator Young said.

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