

NEW YORK STATE SENATOR Michael F. Nozzolio

Senator Nozzolio and Local Leaders Fight to Save the Cayuga Operating Plant and Prevent Devastating Tax Increases

MICHAEL F. NOZZOLIO July 18, 2013



Continuing his aggressive efforts to protect Lansing taxpayers, New York State Senator Mike Nozzolio today joined with local leaders to call on the New York State Public Service Commission to repower the Cayuga Operating Plant. If the Plant is not repowered the annual tax burden on the average Lansing

property taxpayer will increase by nearly \$600.00, making the Lansing School District the highest taxed, non-city school district in Tompkins County.

"The Cayuga Operating Plant is the single largest taxpayer in the Town of Lansing and if the plans to repower the Plant are not approved, the average Lansing property taxpayer would see their school taxes increase by 11.7% and county taxes increase by 7.4%. This closure would cost the average property taxpayer in Lansing nearly \$600.00 and make Lansing the highest taxed, non-city school district in Tompkins County. Additionally, over 40 well paying jobs would be lost at the power plant, hurting local families and the Lansing economy. We must do everything possible to protect our local property taxpayers from this devastating tax increase and encourage the New York State Public Service Commission to allow the Plant to move forward with its plans to repower," said Senator Mike Nozzolio.

Town of Lansing Supervisor Kathy Miller said, "As Lansing Town Supervisor, I am in support of the repowering of the Cayuga Operating Plant. At a time when we are working together at the local, state and federal levels to identify and implement sustainable energy alternatives, this proposal makes sense! Repowering the facility would be the first of many steps over the next several years to achieve this goal. The PSC's recognition and approval of this viable option will be significant to the Town of Lansing, and the Lansing Central School District for years to come by helping to insure the financial health and welfare of our local economy, and the preservation of jobs, while maintaining our School District as one of the best in the State of New York."

"Mothballing the Cayuga power plant will not prevent the use of fracked gas in Tompkins County, as protesters against natural gas would have us think. Our electricity needs locally are met by the NY power grid. In 2011, the electricity generated by natural gas was 30.9% of the electricity consumed in NY State. That natural gas comes to us from the Gulf of Mexico up through the gas fields of Pennsylvania and further west. It would be naïve to think that it does not pick up fracked gas along the way. Mothballing the plant will, however, take at least 10% of the tax base away from the Lansing School District, which, like all school districts, is still reeling from the state and federal cuts that have occurred since the recession of 2009. Let's not let empty symbolism blind us to the very real disaster that closing the plant would cause to the children of the Lansing District," said Pat Pryor, the Tompkins County Legislator representing the Town of Lansing.

"As the Superintendent of Lansing Schools, I am deeply concerned about the financial impact the possible loss of Cayuga Operating Plant will have on our school district. We would expect a loss of approximately 1.2 million dollars which is equivalent to over 15 teaching positions. We could not request our Lansing tax payers to suffer the drastic tax increase that would need to take place to meet the loss of 1.2 million dollars. As we evaluate this decision, it is important to recognize the effect it will have on our Lansing School District and be prepared for the consequences," said Lansing Central School District Superintendent Chris Pettograsso.

"The closure of the Cayuga Operating Plant would have a devastating impact on local job-producing businesses and property taxpayers. The hardworking taxpayers and small business owners of Lansing would see a dramatic increase in the property taxes they pay to the Lansing Central School District, Town of Lansing, and Tompkins County if the Plant is not repowered. As a small businesses owner and Lansing taxpayer, I support the repowering of the Cayuga Operating Plant and I urge the New York State Public Service Commission to allow this plan to move forward without delay," said Dan Pace, Lansing resident and owner of Hickory Hollow Golf Range and Pro Shop.

Jean McPheeters, President, Tompkins County Chamber of Commerce said, "The Cayuga Power Plant is a

significant contributor to the Tompkins County economy. It provides good, permanent, high-tech jobs. The Cayuga Plant is at least 10% of the Lansing School District tax base and over 7% of the Town of Lansing tax base. The closure of this plant would have a significant, negative impact on the people of this community and on the regional economy."

"The Board of Directors of the Tompkins County Chamber of Commerce has been proud to have one of the cleanest coal plants in the nation as our neighbor, member and local business for many years. We think that it is imperative to have a wide range of fuel options available and to ensure that there is regional energy capacity," added Jean McPheeters. "As a county with a growing population and a growing economy we need a reliable power supply. We hope that the Public Service Commission will consider the needs of this area and of New York State for a sound and strong energy policy and plan that includes: the utilization of a variety of fuels, supports sufficient generation and energy storage capacity, provides for transmission throughout the state and region, and realizes that there will be growth in demand. We urge the PSC to keep this plant open as part of that energy plan."

"The closing of the Lansing Power Plant, formally AES Cayuga, would be devastating to the Lansing School District's students, faculty and staff. Currently the power plant pays in excess of 1.2 million dollars in taxes and if it were to shut its doors there is no way that the tax payers of Lansing could shoulder the added tax burden to keep the programs and staffing we currently have at the district. This loss of money from the overall budget would result in reductions in teachers, teaching assistants and non-mandated programs in addition to increasing class sizes. Lansing is fortunate to be able to offer opportunities to students that include character education classes, enrichment programs, music lessons, and a variety of sports activities while still maintaining a student-teacher ratio that allows for personalized instruction. Not many rural districts in New York can provide such a wide array of prospects for their students and we are able to do so, in part, because of the taxes paid by the Lansing Power Plant. These opportunities are often what bring families to Lansing and make the Lansing School District what it is today. Closing the power plant would potentially change all that the Lansing School District has to offer to its community," said Stacie Kropp, President, Lansing Faculty Association.

"The Lansing Parent Teacher Student Organization supports the school district and is glad Senator Nozzolio is bringing up this issue so that people can be aware of the implications on the school district and the community," said Dorothy Debbie, President, Lansing Parent Teacher Student Organization.

"Cayuga Operating Company's repowering proposal is consistent with Tompkins County Area Development's (TCAD) economic development strategy. We believe quality jobs come from local companies that combine the latest in technology with a sincere commitment to our community. We are confident the company's local management team will execute this ambitious plan and generate an extraordinary positive impact on our economy," said Michael Stamm, President, TCAD.

"One of the most significant factors for families living and moving to the Town of Lansing is the quality of our school system. My 3 granddaughters attended Lansing Schools and are now attending Penn State University and Cornell University as a result of the great education they received. This was made possible due to the high contribution the Power Plant made to our tax base. With the recent decline in the assessed value of the Plant, the ability to maintain our quality school system is being affected, and further reduction to 60 million, as called for in the PILOT Agreement or even worse the total shut down of the Plant will be devastating to Lansing Schools. I find it hard to understand why some are advocating for the Plant to remain coal fired when the reason for the financial hardship the Plant has endured over the last 5 years is the high cost of coal. Natural gas is a lower cost energy source and I believe is better for the environment

than coal. I support the plan to repower the Plant to gas fired," said Andrew J. Sciarabba, Chairman, Town of Lansing Economic Development Committee.

"The Tompkins-Cortland Building & Construction Trades Council and the 14 Local Construction Trades Unions affiliated with the Council support the Cayuga Repowering Proposal that will create hundreds of local construction jobs and preserve the jobs the facility currently provides. The Repowering project will ensure that we have a reliable source of electricity with reduced emissions, will benefit local business, and will continue to provide significant tax revenue to local municipalities and the Lansing School District," said David Marsh, President, Tompkins-Cortland Building & Construction Trades Council.

Leo Yanez, President, Local 83, International Brotherhood of Electrical Workers said "The IBEW supports the continuing efforts to keep and bring more jobs and cleaner power New York State."

"It is important that we maintain investments in our infrastructure that help to improve and strengthen our economy. Ensuring the ongoing operation of the Cayuga Operating Plant will protect our property taxpayers, while retaining good jobs right here in our region," said Senator Mike Nozzolio.

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