



## **A.8825-A (CAHILL, ET AL.) S.5979 (PARKER)**

### **Summary**

This bill extends New York's Power for Jobs program until May 15, 2010. It also amends Public Authorities Law to require all recipients of state subsidized low-cost power programs to undergo a comprehensive energy audit funded by the New York Power Authority (NYPA)

### **Explanation**

Contrary to New York State's oft-mentioned goal to reduce energy use, multiple statutorily mandated NYPA programs encourage energy consumption in pursuit of economic development. In addition, corporate welfare programs such as Power for Jobs and the Energy Cost Savings Benefits have suspect track records in terms of creating and retaining jobs. Per an analysis published in Environmental Advocates of New York's report, *Saving Green*, many companies that receive low-cost power have fallen far short on stated job commitments; some have missed the mark by more than 80 percent. Despite these failings, state energy subsidies continue.

While low-cost power can serve as an incentive for industries to relocate or expand in New York, the state must do a better job of ensuring that authority or state resources are not working at cross purposes with its environmental agenda.

By providing low-cost power to certain businesses, New York's Power for Jobs program creates the perverse incentive to increase electricity consumption. While at the same time, the state is investing hundreds of millions of dollars of ratepayer funds to reduce electricity demand 15 percent by the year 2015. In short, the state must reform all of its low-cost power programs.

This bill would ensure that Power for Jobs recipients undergo energy efficiency audits, a good step toward correcting this flaw. A better bill would go a step further by requiring recipients to pursue all cost-effective efficiency measures identified by energy audits with the help of NYPA financing. This bill is the first of many actions that should be taken to reform these wasteful programs in order to better align New York's economic development and environmental goals.

**Memo 61**

**Environmental Advocates of New York supports this bill.**