

2009-2010 Regular Sessions

I N S E N A T E

(PREFILED)

January 7, 2009

Introduced by Sen. MAZIARZ -- read twice and ordered printed, and when printed to be committed to the Committee on Energy and Telecommunications

AN ACT to amend the public authorities law, in relation to the allocation of power from the Niagara project

THE PEOPLE OF THE STATE OF NEW YORK, REPRESENTED IN SENATE AND ASSEMBLY, DO ENACT AS FOLLOWS:

1 Section 1. The opening paragraph of subdivision 13 of section 1005 of
2 the public authorities law, as amended by chapter 645 of the laws of
3 2006, is amended to read as follows:
4 Notwithstanding any other provision of law to the contrary but subject
5 to the terms and conditions of federal energy regulatory commission
6 licenses, to allocate or reallocate directly or by sale for resale, two
7 hundred fifty megawatts of firm Niagara project hydroelectric power as
8 "expansion power" and four hundred forty-five megawatts of firm Niagara
9 project hydroelectric power as "replacement power" to businesses within
10 the state located within thirty miles of the Niagara project, and four
11 hundred ninety megawatts of firm and interruptible power from the Saint
12 Lawrence-FDR project as "preservation power" sold to businesses located
13 within the counties of Jefferson, Saint Lawrence and Franklin, provided
14 that the amount of expansion power allocated to businesses in Chautauqua
15 county on January first, nineteen hundred eighty-seven shall continue to
16 be allocated in such county and, provided further that up to seventy
17 megawatts of replacement power, up to thirty-eight and six-tenths mega-
18 watts of preservation power from the Saint Lawrence-FDR project which is
19 relinquished or withdrawn after the effective date of chapter three
20 hundred thirteen of the laws of two thousand five which amended this
21 subdivision and, for the period ending on December thirty-first, two
22 thousand six, up to twenty megawatts of other power from the Saint
23 Lawrence-FDR project which is unallocated as of the effective date of
24 chapter three hundred thirteen of the laws of two thousand five which
25 amended this subdivision, shall be allocated by the authority together
26 with such other funds of the authority as the trustees deem feasible and

EXPLANATION--Matter in ITALICS (underscored) is new; matter in brackets [] is old law to be omitted.

1 advisable for energy cost savings benefits pursuant to the twelfth
2 undesignated paragraph of this section. Provided, however, that the
3 amount of replacement, preservation power, or the additional twenty
4 megawatts of Saint Lawrence-FDR power for the period ending December
5 thirty-first, two thousand six made available for such purpose, used for
6 energy cost savings benefits that are relinquished by or withdrawn from
7 a recipient thereof shall be offered by the authority proportionately
8 for a period of six months for reallocation to applicants who qualify
9 respectively for replacement or preservation power allocations as
10 provided in this subdivision. If such power is not allocated within such
11 period it shall be allocated for the purpose of energy cost savings
12 benefits pursuant to subdivision (h) of section one hundred eighty-three
13 of the economic development law. The authority shall negotiate contracts
14 on reasonable terms and conditions to renew or extend every permanent
15 contract allocation of expansion power in effect on the effective date
16 of this subdivision and, to the extent consistent with such contracts,
17 the authority shall negotiate contracts on reasonable terms and condi-
18 tions to extend or renew all other allocations or allotments of such
19 power in effect on such date. The authority shall negotiate contracts
20 on reasonable terms and conditions to renew or extend for a period of at
21 least five years every permanent contract allocation of replacement
22 power in effect on the effective date of chapter three hundred thirteen
23 of the laws of two thousand five which added this sentence and that
24 would expire by its terms on or before the end of the initial federal
25 energy regulatory commission license for the Niagara project; provided
26 that, in negotiating the terms and conditions of such contracts, the
27 authority may consider a business' compliance with all current contrac-
28 tual obligations, including employment and power usage commitments.
29 Contracts entered into pursuant to this subdivision shall contain
30 reasonable provisions providing for the partial or complete withdrawal
31 of the power in the event the recipient fails to maintain mutually
32 agreed levels of employment, investment, and power utilization. Expan-
33 sion or replacement power relinquished by businesses or withdrawn by the
34 authority shall be allocated directly or by sale for resale by the
35 authority to businesses within the state located within thirty miles of
36 the Niagara project provided, that the amount of power allocated to
37 businesses in Chautauqua county on January first, nineteen hundred
38 eighty-seven shall be allocated in such county. Preservation power that
39 is relinquished by businesses or withdrawn by the authority shall be
40 allocated directly or by sale for resale by the authority within the
41 counties of Jefferson, Saint Lawrence and Franklin. Allocations made
42 pursuant to this paragraph shall be made in accordance with criteria
43 established by the trustees. Such criteria shall [address the expansion
44 of industry and employment pursuant to paragraph (a) of this subdivision
45 and the revitalization of existing industry pursuant to paragraph (b) of
46 this subdivision.] REQUIRE THAT FIFTY PER CENTUM OF RELINQUISHED OR
47 WITHDRAWN POWER BE ALLOCATED WITHIN TWELVE MONTHS TO NEW OR EXPANDING
48 BUSINESSES WITHIN THE STATE LOCATED WITHIN THIRTY MILES OF THE NIAGARA
49 PROJECT IN ACCORDANCE WITH PARAGRAPH (A) OF THIS SUBDIVISION AND THAT
50 FIFTY PER CENTUM OF RELINQUISHED OR WITHDRAWN POWER BE ALLOCATED WITHIN
51 NINETY DAYS TO EXISTING BUSINESSES WITHIN THE STATE LOCATED WITHIN THIR-
52 TY MILES OF THE NIAGARA PROJECT IN ACCORDANCE WITH PARAGRAPH (B) OF THIS
53 SUBDIVISION.

54 S 2. This act shall take effect immediately.