

2011-2012 Regular Sessions

I N S E N A T E

(PREFILED)

January 5, 2011

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 establishing the power authority of the state of New York shall make low cost hydropower available to certain hospitals

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 436 of the laws of
3 2010, 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19 relinquished or withdrawn after the effective date of chapter three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

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

LBD01438-01-1

1 Lawrence-FDR project which is unallocated as of the effective date of
2 chapter three hundred thirteen of the laws of two thousand five which
3 amended this subdivision, shall be allocated by the authority together
4 with such other funds of the authority as the trustees deem feasible and
5 advisable for energy cost savings benefits and for western New York
6 economic development fund benefits pursuant to the eleventh undesignated
7 paragraph of this section AND, PROVIDED FURTHER THAT LOW COST HYDROPOWER
8 BE MADE AVAILABLE TO HOSPITALS THAT ARE LOCATED IN THE COUNTIES OF
9 NIAGARA AND ORLEANS. Provided, however, that the amount of replacement,
10 preservation power, or the additional twenty megawatts of Saint
11 Lawrence-FDR power for the period ending December thirty-first, two
12 thousand six made available for such purpose, used for energy cost
13 savings benefits that are relinquished by or withdrawn from a recipient
14 thereof shall be offered by the authority proportionately for a period
15 of six months for reallocation to applicants who qualify respectively
16 for replacement or preservation power allocations as provided in this
17 subdivision. If such power is not allocated within such period it shall
18 be allocated for the purpose of energy cost savings benefits pursuant to
19 subdivision (h) of section one hundred eighty-three of the economic
20 development law. The authority shall negotiate contracts on reasonable
21 terms and conditions to renew or extend every permanent contract allo-
22 cation of expansion power in effect on the effective date of this subdivi-
23 sion and, to the extent consistent with such contracts, the authority
24 shall negotiate contracts on reasonable terms and conditions to extend
25 or renew all other allocations or allotments of such power in effect on
26 such date. The authority shall negotiate contracts on reasonable terms
27 and conditions to renew or extend for a period of at least five years
28 every permanent contract allocation of replacement power in effect on
29 the effective date of chapter three hundred thirteen of the laws of two
30 thousand five which added this sentence and that would expire by its
31 terms on or before the end of the initial federal energy regulatory
32 commission license for the Niagara project; provided that, in negotiat-
33 ing the terms and conditions of such contracts, the authority may
34 consider a business' compliance with all current contractual obli-
35 gations, including employment and power usage commitments. Contracts
36 entered into pursuant to this subdivision shall contain reasonable
37 provisions providing for the partial or complete withdrawal of the power
38 in the event the recipient fails to maintain mutually agreed levels of
39 employment, investment, and power utilization. Expansion or replacement
40 power relinquished by businesses or withdrawn by the authority shall be
41 allocated directly or by sale for resale by the authority to businesses
42 within the state located within thirty miles of the Niagara project
43 provided, that the proceeds from the sale of such unallocated and allo-
44 cated, but relinquished or withdrawn or currently not accessed expansion
45 or replacement power, as shall be determined by the trustees, shall be
46 allocated for the purposes of western New York economic development fund
47 benefits pursuant to the eleventh undesignated paragraph of this
48 section. Proceeds to such western New York economic development fund
49 shall not preclude the authority from allocating expansion or replace-
50 ment power to eligible companies under the provisions of this section.
51 The amount of power allocated to businesses in Chautauqua county on
52 January first, nineteen hundred eighty-seven shall be allocated in such
53 county. Preservation power that is relinquished by businesses or with-
54 drawn by the authority shall be allocated directly or by sale for resale
55 by the authority within the counties of Jefferson, Saint Lawrence and
56 Franklin. Allocations made pursuant to this paragraph shall be made in

1 accordance with criteria established by the trustees. Such criteria
2 shall address the expansion of industry and employment pursuant to para-
3 graph (a) of this subdivision and the revitalization of existing indus-
4 try pursuant to paragraph (b) of this subdivision.
5 S 2. This act shall take effect immediately.