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Andrew M. Cuomo - Governor

Governor Cuomo Announces Second Round of Low-Cost Power Allocations to the Southern Tier Under ReCharge New York

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(June 28, 2012)

Governor Andrew M. Cuomo today announced that an additional 161 businesses and not-for-profit organizations across the state have been awarded more than 80 megawatts (MW) of low cost power in the second round of allocations under the ReCharge New York program. This round of RNY allocations is expected to generate substantial private capital investments and retain approximately 25,000 jobs.

For the Southern Tier, the New York Power Authority (NYPA) Board of Trustees this week approved allocations that total almost 14 MW of power to 13 enterprises, and are linked to more than 2,000 jobs and significant capital investments in the region. The key recipients include HP Hood in Arkport, Kraft Foods Global in Walton, and MeadWestvaco in Sidney.

"Through the NY Works program, we now have a cohesive strategy to leverage resources such as available, low-cost power, allowing businesses to create jobs and make investments in all regions of the state. These power allocations through the ReCharge New York program will provide competitive and reliable energy prices to manufacturers and other key employers, giving them the confidence to invest in their facilities and maintain and increase employment," Governor Cuomo said. "We will continue our aggressive efforts to capitalize on our low-cost power and other economic incentives to attract new businesses to New York and encourage expansion and growth in our state's existing enterprises."

The allocations approved this week by the New York Power Authority (NYPA) Board of Trustees bring the total support provided by Recharge New York to 602 businesses and 76 not-for-profits. Those enterprises are expected to commit to retain nearly 385,000 jobs and undertake billions of dollars in capital investments from the approximately 680 MW that have been allocated under the ReCharge New York program to date. The low-cost power tied to the ReCharge New York program will start to be made available to customers on July 1.

Senator James L. Seward said, "When I helped establish New York's original low cost power plan, Power for Jobs, the goal was simple – help businesses afford to operate and grow in the Empire State. Recharge New York builds on that objective and is an important piece of an overall plan to lower the cost of doing business, retain and create jobs and move our state forward. These allocations continue and expand on a vital, growing public/private partnership which translates to real jobs and paychecks for New Yorkers."

Senator Tom O'Mara said, "These economic development power allocations are vital to maintaining jobs and promoting economic growth and stability across the Southern Tier and Finger Lakes regions, and throughout upstate. Many local businesses and manufacturers depend on this low-cost energy to preserve jobs and stay competitive. Faced with national economic uncertainty and high energy costs, ReCharge New York gives employers the long-term economic stability they need and helps strengthen New York State's business climate."

Tom Tranter, President & CEO of Corning Enterprises and co-chair of the Southern Tier Regional Economic Development Council, said, "Long-term, low-cost power has the ability to provide the crucial incentive for a business to locate and remain in the Southern Tier. I am proud of the role the Southern Tier Regional Council took in distributing the ReCharge New York energy allotments with NYPA and commend our Governor for putting this key program in place."

David Skorton, president of Cornell University and co-chair of the Southern Tier Economic Development Council, said, "We are thrilled that the ReCharge New York program will provide the long-term, lower-cost energy essential to encouraging Southern Tier companies to make significant investments into local projects. The allocations made under this program reflect the priorities of our region and we look forward to

continuing our partnership with NYPA to support economic development throughout the Southern Tier under the vision and leadership of Governor Cuomo."

The latest allocations were recommended this week by the New York State Economic Development Power Allocation Board (EDPAB), a four-member body empowered under state law to make power recommendations to the NYPA trustees.

John R. Koelmel, who was elected this week by the NYPA Board of Trustees as the Authority's chairman, said, "These latest allocations of low-cost power under the Recharge New York program demonstrate the New York Power Authority's continued commitment to playing an integral role in Governor Cuomo's economic revitalization and job creation efforts. We are more determined than ever to use our assets and their outputs to attract new business opportunities to New York State and foster growth in existing companies and industries."

The ReCharge New York program, which will draw upon 910 MW of low-cost energy, offers up to seven-year contracts, including at least 350 MW for upstate businesses, 200 MW for business attraction and expansion projects, and up to 100 MW for not-for-profits and small businesses.

In total, NYPA received over 1,000 applications for ReCharge New York power under Governor Cuomo's "New York Open for Business" initiative through the on-line Consolidated Funding Application, requesting over 2,100 MW—more than twice the total amount available under the statutorily provided power program.

In evaluating the applications on a competitive basis, NYPA, in consultation with Regional Economic Development Councils across the state, used criteria based on capital investment commitments, job retention and creation, consistency with regional economic development council priorities, and other factors, including energy efficiency.

Also under the Recharge New York statute, NYPA is authorized to provide a transitional electric discount to any applicants that were not recommended to receive allocations, but which had been receiving benefits under NYPA's expiring Power for Jobs (PFJ) and Energy Cost Savings Benefit (ECSB) programs—the predecessor programs to ReCharge New York. Specifically, the statute authorizes NYPA to provide those customers up to 66 percent of their PFJ or ECSB energy savings during the initial two years of the RNY program and 33 percent for the two years thereafter. The NYPA trustees approved transitional discount savings for 95 applicants, valued at energy savings of up to \$9 million for just the first year alone.

Gil C. Quiniones, NYPA president and chief executive officer, said, "During the course of the ramping up of the ReCharge New York Program, the Power Authority has worked aggressively to receive applications that represent a broad array of businesses and employers that will result in sustainable economic growth and employment opportunities in every region of the state. The applications were reviewed in consultation with the state's 10 Regional Economic Development Councils on the basis of the competitive criteria under the ReCharge New York law, including jobs and capital investments. In helping to carry out Governor Cuomo's vision for economic development, the Power Authority will continue to pursue additional opportunities to attract new businesses from available lower cost power and encourage significant business expansions that will spur job creation and private investment throughout New York."

For a list of allocations made under the Recharge New York program from the first two rounds of power allotments, visit <http://www.nypa.gov/RechargeNY/default.htm>.

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