

The State Legislature has given final approval to Governor Cuomo's "Recharge NY" legislation, which creates a permanent replacement for Power for Jobs and related energy cost benefit programs. This bill was adopted as part of the state's budget for Fiscal 2011-12.

Provisions of this year's proposal are mostly identical to 2010 legislation that was strongly supported by The Business Council and other business organizations, the Administration and NYPA.

The following table summarizes key components of the final legislation.

[The final text of the proposal is available here.](#)

Please feel free to contact me for additional information, and to discuss any specific components of this legislation.



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	RECHARGE NY, S.2810-C/A.4010-C, part CC
PROGRAM ADMINISTRATION	- no change from current law
PROGRAM DESIGN/SIZE/TIMING	<ul style="list-style-type: none"> - new program begins 7/1/2012 - application process begins by 2/1/2012 - 910 MW program, with 455 MW of NYPA hydro (current “rural and domestic” power) and a like amount of NYPA purchased power (purchasing thru competitive bidding or other mechanism.). - minimum 350 MW set aside for recipients within current R&D service territories - minimum 200 MW set aside for new business and to support capital investment; clarifies that this 200MW set aside is available for expansion of in-state business - up to 100 MW set aside for “small business” and non-profits
PROGRAM TRANSITION	<ul style="list-style-type: none"> - existing PfJ, PfJ energy savings reimbursements and ECSB benefits extended thru 6/30/12 - transition benefit equivalent to average per kwh benefit for the 12 months ending 12/31/2010 - current program participants not receiving new benefits receive 2/3rd of value of current benefits for period 7/1/12 to 6/30/14; 1/3rd of value of current benefit 7/1/14 to 6/30/16
BENEFITS	<ul style="list-style-type: none"> - allocation of power, with equal parts NYPA hydro and NYPA purchased power - participants can “opt out” of the NYPA purchased power component prior to signing contract with NYPA
CONTRACTS	<ul style="list-style-type: none"> - up to seven years; participants can apply for extensions any time within 24 months of contract expiration, or earlier if approved by NYPA - requires periodic audits of program participants for compliance with job and investment commitments. - allocation may be reduced if participants’ actual metered demand is less than allocation.
ELIGIBILITY	<ul style="list-style-type: none"> - all business (excluding retail), including small business defined as normally utilizing minimum peak demand under 400kw - non-profit corporations (under NYS NFPC law) - current NYPA program participants must be “in substantial compliance with contractual commitments”
CRITERIA	<ul style="list-style-type: none"> - significance of power costs to the facility - extent that benefit will result in new investment - consistent with strategies developed by newly proposed “regional economic development councils” - jobs and payroll at facility - jobs created or retained, and willingness to commit to job targets - risk of facility closure or relocation and/or job loss - facility’s local economic significance - prior energy efficiency investments; willingness to do audits, participate in NYPA efficiency programs or make additional efficiency investments - potential competitive disadvantage for other in state business - for NFPs, whether they provide “critical services or substantial benefits” to community

RURAL AND DOMESTIC POWER PROGRAM	<ul style="list-style-type: none"> - NYPA funded residential rate subsidy program for current R&D recipients; \$100 million in first three years, \$70 million in year 4, \$50 million in year 5, and \$30 million thereafter. - \$8 million/year set aside for current agricultural recipients of R&D power subsidy program funding requires NYPA trustee approval - NYPA and/or NYSERDA to offer five year efficiency program for former upstate R&D power recipients.
ENERGY AUDITS & REPORTS	<ul style="list-style-type: none"> - Facilities receiving RNY contracts required to implement an energy audit at least once every five years; requirement can be waived for good cause by NYPA. Audit findings to be submitted to NYPA. - New provision requiring recipient to make facilities available to NYPA audits, and to provide NYPA with info on “energy efficiency and energy-related projects.”
OTHER PROVISIONS	<ul style="list-style-type: none"> - directs NYPA to work with the PSC to recommend reduced utility power delivery costs for program participants - extends thru 2012 current tax credit for utilities for net loss of revenues under current PfJ program - permanently extends NYPA’s broadened authority to fund energy efficiency and clean energy programs for business (adopted as a temporary measure in 2009)