

# **New York Power Authority Economic Development Programs**

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Acting President and Chief Executive Officer

# Overview

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- New York Power Authority Introduction
- Hydro-Power Sourced Existing Economic Development Programs
- RechargeNY Program
  - Overview of new program
  - Application process
  - Evaluation criteria
  - Direct sale arrangement

# New York Power Authority (NYPA)



**Niagara Power Project (2,441 MW)**



**St. Lawrence-FDR Project (800 MW)**



**Blenheim-Gilboa Pumped Storage (1,040 MW)**



**500 MW Combined-Cycle (500 MW)**

**Richard M. Flynn  
Power Plant  
(135 MW)**



**Small Clean  
Power Plants  
(450 MW)**

## Overview of the Hydro-Resourced Programs

	Replacement Power	Expansion Power	Preservation Power	Industrial Economic Development Power
<b>Power Supply</b>	Niagara		St. Lawrence-FDR	Niagara
<b>Program Size</b>	445 MW	250 MW	490 MW Firm and Interruptible Power	54 MW
<b>Service Area</b>	Western NY 30-mile radius of Niagara Project	Western NY 30-mile radius of Niagara Project and up to 20 MW in Chautauqua Co.	North Country Jefferson, St. Lawrence and Franklin Counties	Municipal Electric Systems & Rural Electric Cooperatives 51 systems across New York State
<b>Current Allocations</b>	665 MW 129 customers 31,800 jobs		481 MW 3 customers 1,000 jobs	20 MW 20 customers 2,900 jobs

## RechargeNY (RNY): Program Overview

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- Governor Cuomo's new statewide economic development electric power program, begins July 1, 2012
- Existing market-based programs are replaced with RechargeNY with 910 Megawatts (MW) on contract terms up to 7 years
  - 50% NYPA hydropower
  - 50% market power procured by NYPA
- Competitive application process
  - At least 350 MW for businesses and not-for-profits in NYSEG, National Grid and RG&E service territories
  - At least 200 MW for attracting or creating new businesses or encouraging the expansion statewide
  - Up to 100 MW for small businesses and not-for-profit corporations statewide



## RechargeNY (RNY): Roles

- Regional Economic Development Councils
  - Developing strategic plans for their regions by mid-November
  - Will provide input on RNY applications to determine consistency with the strategies and priorities for their respective regions
- Economic Development Power Allocation Board (EDPAB)
  - Application reviews & allocation recommendations to NYPA Board of Trustees
- New York Power Authority
  - Authorized by Governor Cuomo to administer RNY program including contracts
  - Assists EDPAB in the application process. YPA Trustees review EDPAB recommendations and make allocation decisions
  - Monitors program compliance
  - Provides ongoing RNY customer support



# RechargeNY: Program Definition

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## Businesses

- Utilizing a minimum peak electric demand in excess of 400 kW

## Small Businesses

- Utilizing a minimum peak electric demand equal to or less than 400 kW

## Not-for-Profit Corporations

- A corporation defined in of Section 102 of the state's Not-For-Profit Corporation Law, subdivision five of paragraph(a)

## Not eligible

- Retail businesses
- Sports venues
- Gaming or entertainment-related establishments
- Places of overnight accommodations

## RechargeNY: Program Definitions (continued)

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### Existing NYPA customers

- Current NYPA Hydro and Energy Cost Savings Benefit (ECSB) customers may apply for RNY if they are in substantial compliance with their existing contractual commitments
- For Expansion, Preservation and Replacement Power customers, consideration will only be given to load not currently served by these programs

### Power for Jobs (PFJ) and Energy Cost Savings Benefit (ECSB) customers

- Must submit an application to be considered for an RNY allocation
- PFJ and ECSB contracts expire on June 30, 2012
- PFJ and ECSB customers who do not receive an RNY allocation may be eligible to receive a transitional electricity discount

## RechargeNY: Application Process

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Applications available online now through the NYS Consolidated Funding Application (CFA): visit <http://nyworks.ny.gov>

### Required for application

- 12 months of electric bills (August 2010 – July 2011) for each “electric” account at the facility
- Current employment data and future hiring plans
- Capital investment (dollar amount and physical description)
- 2012 investments
- 5-year investment plan
- Future expansion plans (if applicable)

### Timeline

- All applications are due November 30, 2011 for allocation consideration in December or January



## RechargeNY: Sampling of Evaluation Criteria

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- Significance of the cost of electricity to total cost of doing business
- New capital investment resulting from an RNY allocation
- Extent to which an RNY allocation would be consistent with existing regional economic development strategies and priorities
- Significance of facility to the local economy
- Payroll, salaries, benefits and number of jobs created or retained
- Risk of closure, curtailing, or relocating
- Extent of investment in energy efficiency measures
- Whether applicant receives a NYPA hydropower allocation or benefits supported by the sale of NYPA hydropower
  
- If not-for-profit, the significance of the critical service or substantial benefits being provided to the local community where the facility is located

## RechargeNY: Direct Sale Arrangement

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- NYPA and applicant enter into a contract for RNY allocation
  
- Customers will have a one-time option prior to executing contract to purchase:
  - A fully blended product – 50% NYPA hydropower and 50% market power procured by NYPA
  
  - OR**
  - Hydropower portion only – 50% NYPA hydropower and 50% customer-arranged market power purchases
  
- Commitments for employment, capital investment, and energy audits will be incorporated

## RechargeNY: Contact Information

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**Consolidated Funding Application (CFA):** <http://nyworks.ny.gov>

**Hotline:** 888-JOBSNYS, 888-562-7697

**Website:** [www.nypa.gov/rechargeny](http://www.nypa.gov/rechargeny)

**Email Address:** [Recharge.NewYork@nypa.gov](mailto:Recharge.NewYork@nypa.gov)

**Fax Number:** 914-681-6255

