

Memorandum in Strong Opposition to A.5193-A/S.4598-A

June 01, 2009

A.5193-A (Brodsky) / S.4598-A (Stewart-Cousins) - AN ACT to amend the executive law, in relation to the maximum amount of the annual fee that licensed nuclear electric generating facilities are liable for in order to support state and local governmental responsibilities under accepted radiological emergency preparedness plans related to the facility operated by such licensee

The Independent Power Producers of New York, Inc. (IPPNY) is a trade association representing companies involved in the development of electric generating facilities, the generation, sale, and marketing of electric power, and the development of natural gas facilities in the State of New York. IPPNY represents almost 75 percent of the electric generating capacity in New York.

IPPNY opposes A.5193-A / S.4598-A. While state and local preparedness for radiological emergencies is vitally important, this proposed legislation is unnecessary. Nuclear generating facilities in New York already are required to pay a substantial annual fee to support state and local radiological emergency planning and emergency preparedness for all hazards. This fee was first established in 1981.

Indeed, the level of this existing fee nearly was doubled during this year's New York State Budget process (Part R of S.56-A/A.156-B - Chapter 56 of the Laws of 2009). Existing law provides that monies from this fee are to be expended by the Disaster Preparedness Commission for purposes of supporting state and local government responsibilities under accepted radiological emergency preparedness plans.

While the fee was just increased, this legislation proposes to double the fee again. For the fiscal years through 2011, the maximum amount of the annual fee will be the current \$1,000,000 level and, then, it will be increased to a \$2,000,000 amount to be in effect through the year 2013. After 2013, the bills would provide for a formula to increase the level of the fee each year further based upon the Consumer Price Index. A fee increase of this magnitude, given the recent action of the New York State Budget, is unwarranted.

For the reasons stated above, IPPNY strongly opposes the passage of A.5193-A / S.4598-A.