



Independent Power Producers of New York, Inc. (IPPNY)

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S.8421

Memorandum in Strong Opposition

June 20, 2006

S.8421 (Seward) – AN ACT to amend the parks, recreation and historic preservation law, in relation to prohibiting the construction of any wind energy production facility within any town within 15 miles of a certain portion of the route twenty byway

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 the owners of over 75 percent of the electric generating capacity in New York.

IPPNY strongly opposes the passage of S.8421. This bill singles out a particular type of technology for siting legislation and provides a single agency with veto power over project siting approvals. This unilateral veto power is inappropriate and sets a dangerous precedent for all types of power generation and for all types of project development.

Both the State Environmental Quality Review Act (SEQRA) and the State's expired power plant siting law involve multiple State agencies (including the Office of Parks) in the approval process for new power plants, including wind energy projects. SEQRA currently provides the process for decision-making on the siting of generating facilities, based upon input from local governments and the public, in addition to State agencies. Also, the Office of Parks' regulations provide that the Office participate in a single consolidated review of environmental impacts on historic districts through SEQRA. By empowering the Office to prohibit the construction of wind facilities, the bill would allow the Office to pre-determine the outcome of the SEQRA process.

Furthermore, investment in new electric generating facilities has not kept pace with rising electricity demand in New York. This bill would discourage further investments in generating facilities needed to serve the State's electricity consumers. The legislation increases risk for investments by generators and casts a cloud of uncertainty over the financing for energy projects. Simply put, companies either will avoid making investments in potential project development or will find proceeding with current projects too expensive and uncertain to pursue.

Additionally, the bill would prohibit projects which are in the public interest. New York's existing facilities are powered by a mix of fuels. As an extension of that fuel diversity policy, the State has committed to increasing renewable energy supplies, such as wind.

For the reasons stated above, IPPNY strongly opposes S.8421.

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