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

A.9888/S.5966-A

Memorandum in Support

April 24, 2006

A.9888 (Magee) / S.5966-A (Flanagan) – AN ACT to amend the real property tax law, in relation to extending certain energy exemptions

The Independent Power Producers of New York, Inc. (IPPNY) is a trade association representing more than 100 member 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 supports the passage of A.9888 / S.5966-A. This bill would extend, until January 1, 2011, a real property tax exemption under Section 487 of the Real Property Tax Law for wind and other energy systems that expired on January 1, 2006. The exemption was first established in 1977, reauthorized in 1991, and extended for ten years in 1996 until 2006.

Extension of this real property tax exemption would further New York State's energy policy, which is to obtain and maintain safe, reliable, and diverse energy supplies, accelerate the development and use of renewable energy resources, decrease the State's dependence on imported petroleum products, and to promote the State's economic growth. In a manner consistent with expanding fuel diversity, this property tax exemption would help implement the State's commitment to increasing renewable energy supplies, such as wind energy systems.

For the reasons stated above, IPPNY supports A.9888 / S.5966-A.

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