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Gov. Cuomo's Nuke Bailout Will Cost Public Institutions Millions: New Analysis

Municipalities, School Districts, Hospitals, Universities & Others Will Have To Pay Millions More In Unforeseen Utility Costs

NEW YORK, NY - A new [analysis](#) conducted for the New York Public Interest Research Group (NYPIRG) on the impact of Governor Andrew Cuomo's \$7.6 billion ratepayer-funded nuclear bailout shows that in addition to everyday New Yorkers, a broad swath of institutions, including school districts, hospitals and housing authorities, will be slammed with higher electric bills.

The study reveals that the estimated cost increases to public agencies like the MTA, towns and cities, healthcare systems, universities and schools could top as much as \$112 million a year for the first two years. Annual costs will rise over the next twelve years.

The increases for the first two years of the subsidy (the rates will change over time and the rates could well increase further), include:

- **School districts** – Already struggling to get by, districts across the state will be hit with another unnecessary hardship – higher bills. The New York City school system could face up to \$4.2 million a year in rate increases alone. Buffalo will be hit with an estimated \$184,366 higher bill and Rochester will pay \$157,000 more. On Long Island, Northport-East Northport will see an increase of \$29,667, Three Village will pay \$38,667 more and Huntington \$22,558.
- **Healthcare systems** – These networks could face millions in new electrical charges that could very well be passed on to the consumer. Northwell Health will have an estimated \$3.24 million higher annual bill, followed by New York City's Health and Hospitals at \$2.44 million; New York-Presbyterian Hospital at \$2.14 million; Montefiore Medical Center at \$1.38 million; and Memorial Sloan Kettering Cancer Center at \$1.31 million.
- **Public authorities** – The MTA, which just raised fares on riders, is on course to pay roughly \$11.6 million more a year on its utilities because of the bailout. The New York City Housing Authority's bill would rise \$522,160, the Port Authority would increase \$435,098, and the New York State Thruway Authority would increase \$120,375, according to the study's estimates.

These are just a few of the sectors that are facing enormous increases in their utility bills because of Cuomo's bailout of three upstate nuclear plants, the largest-ever transfer of wealth from public funds to one corporation in New York history. For a full list of the impacted sectors - including towns, villages, universities, please see the [study](#).

"Health care, subways, schools – these are all areas that are already struggling just to keep essential services running and costs to consumers down. New Yorkers need the details on the Governor's plan to hike electric rates. Since the Cuomo Administration has kept this process largely in the dark, it's up to us to educate the public on the tremendous hit all ratepayers are going to take," said **Blair Horner, Executive Director of the New York Public Interest Research Group (NYPIRG)**. "We hope this analysis will spur lawmakers to block the plan."

The analysis was conducted for NYPIRG by the Public Utility Law Project of New York and used 2015 expenditure totals from a wide range of sectors to estimate the potential increase in electrical costs for the bailout. NYPIRG sought the analysis as part of its work with **Stop the Cuomo Tax**, grassroots campaign that includes over 36,000 New Yorkers and 130 organizations.

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BACKGROUND

The higher energy costs are part of Governor Cuomo's plan to bail out three old, unsafe and unprofitable nuclear power plants upstate - R.E Ginna, James FitzPatrick and Nine Mile Point. The governor is forcing utility companies to help prop up the plants with subsidies, and the companies are passing along the subsidy costs to consumers. Amazingly, the plan, which runs counter to Cuomo's stated goal of expanding the use of renewable energy sources in New York, was approved by the Public Service Commission with little public input. The state also has refused to release the agreement or contract it has with both Entergy and Exelon over the bailout. It is unclear why Cuomo would leave the public on the hook for so much money, or what, if any, effort went into finding less costly alternatives.

A recent analysis co-authored by Mark Jacobson, director of the Atmosphere/Energy Program at Stanford University, found that phasing out nuclear power immediately and investing in renewables would save New Yorkers \$6.5 billion on their electricity bills and reduce more emissions than nuclear plants.

STUDY: <http://www.stopthecuomotax.org/wp-content/uploads/2017/03/Public-Utility-Law-Project-of-New-York-Inc.-Case-15-E-0302-Sector-Analysis-of-Subsidy-Costs-Updated.pdf>

ABOUT STOP THE CUOMO TAX

Stop the Cuomo Tax is a grassroots campaign led by Food & Water Watch and New York Public Interest Research Group Fund (NYPIRG). Join and learn more at www.stopthecuomotax.org.