



June 1, 2007

Hon. Sam Hoyt
New York State Assembly
627 Legislative Office Bldg.
Albany, New York 12248

Dear Assemblyman Hoyt:

As the New York State Legislature's 2007 session enters its final month, I want to remind you, on behalf of the 2,500 employer members of the Buffalo Niagara Partnership, of the issues that are our priorities for regional job and investment growth. In the context of the Unshackle Upstate agenda, the following specific issues now are at-hand. I urge your appropriate action on them before the end of session.

Energy – There are few issues with more impact upon Western New York than the distribution of the hydropower generated at the Niagara Falls Power Project. Because of legislation expiring on June 30 and the need to deal with siting of new plants in Downstate, it seems likely this issue will be dealt with before session ends. The Partnership supports the recommendations contained in the final report of the Temporary Commission on the Future of New York State Power Programs for Economic Development. The priorities among those recommendations are:

- Return the 70 Megawatts of Retention Power to the exclusive use in Western New York (we support expanding the 30 mi. limit as stated in the report)
- Use the allocation of Rural and Domestic Power for economic development in Upstate NY (reserving a portion for low income and senior citizens residential use)
- Return the income from the sale of “Loose Juice” (the sale at market rates of power allocated but not fully used by customers) for economic development purposes
- Either empower a special allocation board in upstate or ESD Upstate to allocate Economic Development Power (ED Power) and disburse proceeds from the sale of loose juice.
- Change the eligibility criteria for allocation of ED power to emphasize investment and the changing nature of the economy of the 21st century.

Wicks Law Reform – While we appreciate that Governor Spitzer has made reform of Wicks Law a focus, we believe that the bill before you does not do enough. I urge you to support – if not a full repeal of the law – a uniform \$2 million threshold for projects across New York State. Importantly, for Upstate to realize any actual benefit of the reform, the legislation cannot have costly Project Labor Agreements stipulations related. We are on track for the

right version of this long-sought after reform, and hope to celebrate your role in accomplishing it at the end of session.

240/241 – The Partnership continues to urge your support for reform of 240/241 – the “Scaffold Law.” The unique-to-New York continued to drive up insurance costs on Upstate builders and contractors, adding to the cost of projects and inflicting severe impact on the economy. Last session, the Alesi-Morelle “Workers Compensation Improvement Act” would have allowed juries to consider whether an employee’s own negligence caused the injury and adjust the damages accordingly. We hope to see this important change to 240/241 revisited, as it provides a fairer balance between protecting worker safety and allowing employers to protect themselves against lawsuits.

Among these priorities, I must especially emphasize that the energy issue is of particular importance to economic development due to its June 30 deadline.

The creation of the Upstate branch of Empire State Development has been a progressive step; we need you now to give ESD the tools to thrive. These reforms are among those tools, and thus, the Partnership’s 2007 legislative priorities.

Sincerely,

A handwritten signature in black ink, appearing to read "A. Rudnick". The signature is stylized with a large, looped initial "A" and a cursive "Rudnick".

Andrew J. Rudnick

cc: Governor Eliot Spitzer