



NYC Apollo Alliance Testimony before the Committees on Consumer Affairs and Environmental Protection of the New York City Council

October 31, 2006

Submitted in writing

Ladies and gentlemen of the New York City Council:

This testimony is submitted on behalf of the New York City Apollo Alliance—a coalition of labor unions, businesses, educators, and community-based organizations. Thank you for providing this public forum for the airing of an array of perspectives on the very important issues regarding the city’s energy demand and ways for us to deal with it as business, residents, and government. The city’s energy demand is so great it necessarily begs for the implementation of policies that promote energy efficiencies. This leads us to revisit the topic of distributed generation or distributed energy—a topic obscured by decades of large megawatt power plant generation and distribution.

In 2004, the New York City’s Energy Policy Task Force reported that New York City has adequate in-city electricity resources, but only by a slim margin. At the time that margin was 71 megawatts. The task force estimated that by 2008, New York City will need about 3,780 megawatts of new electricity resources for the reduction of load growth, the reduction of energy and capacity prices, and the replacement of potential power plant retirements.

Our huge power demand can not be met by reinstating old fossil fuel-based technologies. These have proven and are proving to be detrimental to our environment, and therefore can not sustain a healthy society and vigorous economy. Though the big megawatt power plants are not soon disappearing, the city should view distributed generation as a mechanism for decentralizing and stimulating the use of clean, efficient, and renewable energies.

Distributed generation generates power at or near the end-user site verses large, conventional electricity producing plants. This is not a new phenomenon. Distributed generation was the principal method of producing electricity in the 1900 before the construction of large scale power generation, and the development of massive transportation and distribution systems. In the 1980s, the trend toward large power plants began to revert to installations that generally consist of smaller advanced systems with improved technologies. Advanced distributed generation using clean, renewable energy that include photovoltaic solar systems, windmills, and biomass fuels for example, will complement the process of providing the city's future clean, energy efficient power. Distributed generation can save consumers money by the installation of appropriate metering systems that promote electricity conservation during periods of high peak usage. And according to the Mayor's task force, distributed generation can be installed relatively quickly. It can improve the system's reliability, enhance environmental quality, and accommodate cost-effective peak load strategies.

Distributive generation also has many stakeholders. Among them, construction engineers, architectural engineers, electrical engineers, bankers and investment analyst, and energy suppliers not to mention newly trained installation maintenance workers. The

system can be used by homeowners, small, medium, and large size businesses, industrial facilities, utilities, and economic development projects. It takes up less space, is flexible, adaptable, and customizable. It lends itself to hybrid systems that are more fuel efficient. Public policy and legislation must be fashioned so as to incentivize the expansive installation of distributive generation in the private sector. As for our government, it should take the lead by celebrating the installation of distributed generation at its largest city owned buildings that use large amounts of energy.

I would like to end by stating that the NYC Apollo does not favor a distributed generation system that relies on the use of combustible fossil fuels. That will only harm the city. We must work to change the past practices that got us into the mess we're in. The option of distributed generation sourced by renewable energy and energy efficient technologies, we in the NYC Apollo, believe is the way to go.

Thank you