

Environment and Energy

Adirondack Park Agency
Department of Agriculture and Markets
New York State Energy Research and Development Authority
Department of Environmental Conservation
Environmental Facilities Corporation
Hudson River Park Trust
Hudson River Valley Greenway Council and Conservancy
Office of Parks, Recreation and Historic Preservation
New York Power Authority
Department of Public Service

Overview

This Budget increases investment in environmental, clean energy, and utility oversight programs and maintains core services at current levels for parks and agricultural programs. State Agency and public authority funding will provide an organizational platform and support for initiatives to make New York a leader in the clean tech economy, reduce the emissions that contribute to climate change, and lead the transformation of our transmission system to a distributed smart grid network. The Executive Budget also provides for strengthened and improved Public Service Commission oversight and enforcement powers.

The State's environmental, energy and natural resource agencies support programs including land use planning and preservation, recreation and tourism, agricultural development, protection of water resources, regulatory oversight of environmental laws and regulations, oversight of food supply and food safety programs, and regulation of the State's utilities and energy programs. Working in conjunction with the State's environmental and energy-related public authorities, these agencies will address the causes and impacts of climate change and address the major deficiencies in our energy distribution system revealed in the aftermath of Superstorm Sandy.

The Department of Environmental Conservation's (DEC) mission is to conserve, improve and protect New York's natural resources and environment and to prevent, abate and control water, land and air pollution, in order to enhance the health, safety and welfare of the people of the State and their overall economic and social well-being.

Together, DEC and the Office of Parks, Recreation and Historic Preservation (OPRHP) oversee nearly 4.9 million acres of open space statewide, including 2.6 million acres in the Adirondack Park and nearly 288,000 acres in the Catskill Forest Preserve. Additionally, OPRHP operates the State park system that comprises 214 State parks and historic sites. The system welcomes 59 million visitors to these sites annually.

The Department of Public Service (DPS), the staff arm of the Public Service Commission (PSC), regulates the rates and services of public utilities – an industry with an estimated \$32 billion in annual revenue – oversees the siting of major utility infrastructure, and manages other functions. The Executive Budget provides for strengthened and improved PSC oversight and enforcement powers. Additionally, in conjunction with the New York State Energy Research and Development Authority (NYSERDA), DPS oversees and administers the State's energy efficiency and renewable energy programs. The New York Power Authority (NYPA) supplies power statewide through two large hydroelectric facilities and more than 1,400 miles of transmission lines. NYPA does not receive direct support from the State.

The Department of Agriculture and Markets is charged with wide-ranging responsibilities including food safety inspection, agricultural economic development, farmland protection, animal and plant health surveillance, and the control of agricultural runoff (nonpoint source pollution) that can lead to the contamination of water.

Protecting the Environment

The State's environmental and energy agencies protect the State's air, land and water, oversee food safety, provide critical support to the agricultural community, manage our energy resources, and offer safe, affordable and accessible recreational opportunities to New Yorkers.

The State has protected more than 820,000 acres of open space since 2003 and more than 37,000 acres of farmland since 1996. Under Governor Cuomo's leadership, the State acquired 69,000 acres of the former Finch Pruyn lands in the Adirondacks, the largest addition to the State Forest Preserve in over a century. Since 1992, the State parks system has expanded by more than 25 percent, with 66,000 acres and 29 new parks added. These actions have been financed primarily through the Environmental Protection Fund (EPF). This year, the 179th State Park was added, the new Franklin D. Roosevelt Four Freedoms Park on Roosevelt Island in New York City.

The Executive Budget increases support for critical environmental protection and energy programs. The Environmental Protection Fund (EPF), which provides dedicated funding to communities throughout New York to improve our environment, will be increased by \$19 million to \$153 million. The Cleaner, Greener Communities program, administered by NYSERDA to fund energy efficiency and renewable energy projects, will be supplemented by a net \$10 million in new State funding. To address a backlog of environmental capital needs, the Budget includes \$90 million of new capital appropriations for DEC, OPRHP, the Department of Agriculture and Markets, and the Olympic Regional Development Authority under the New York Works program. This infusion of capital funds will accelerate capital infrastructure projects statewide, spur the creation of jobs, and leverage private sector and Federal investment. In addition, the Budget provides the financial platform to implement the Moreland Commission recommendations that will strengthen the oversight and enforcement mechanisms of the Public Service Commission.

The Budget maintains services at current levels for parks, environment, and agricultural operating programs. Minimal spending reductions to agency budgets reflect initiatives to improve the efficiency of operations.

Summary of Spending (All Funds)

Category	2012-13 (\$ in millions)	2013-14 (\$ in millions)	Change	
			Dollar (in millions)	Percent
Total Environment and Energy Spending	1,487	1,414	(73)	(4.9)
Department of Agriculture and Markets	124	115	(9) ¹	(7.2)
Department of Environmental Conservation	972	919	(53) ²	(5.5)
Office of Parks, Recreation and Historic Preservation	285	276	(9) ³	(3.2)

Capital Investments

Proposal	2013-14 (\$ in millions)	2014-15 (\$ in millions)
New Capital Commitments:		
Environmental Protection Fund	153	157
New York Works Infrastructure Investment	135	135
Increase Funding for the Cleaner, Greener Communities Program	10	0
Total New Capital Commitments	298	292

Proposed 2013-14 Budget Actions to Implement the Governor's State of the State and Other Initiatives

- Environmental Protection Fund.** The Budget includes \$153 million for the programs supported by the EPF, an increase of \$19 million from 2012-13 that is funded by a transfer of \$15 million of unclaimed bottle deposit receipts and \$4 million from increased and improved enforcement of the unclaimed deposit program. Appropriations include \$12.7 million for solid waste programs, \$58.3 million for parks and recreation, and \$82.0 million for open space programs.
- Implement Moreland Commission Recommendations.** In response to Superstorm Sandy, Governor Cuomo established a Moreland Act Commission to examine the preparation and management of New York's utility companies with respect to the storm. As recommended by the Commission, the Executive Budget strengthens the oversight and enforcement mechanisms of the Public Service Commission (PSC) to ensure public utility companies are held accountable and responsive to regulators and customers. Specifically, the PSC's authority is expanded to initiate administrative proceedings to recover more robust civil penalties, review utility company performance and emergency planning, ensure compliance, and modify or revoke certifications previously issued to any gas or electric utility.

In order to implement these requirements, DPS's auditing and investigation functions will be strengthened by allowing DPS to aggressively fill jobs to achieve a staffing level of 524 employees (including IT staff transferred to the Office of Information Technology Services as part of the Statewide IT consolidation). Additionally, DPS and NYSERDA staff functions will be

¹ Ag & Mkts change is driven primarily by the completion of the Food Lab in 2012-13.

² The DEC decrease primarily reflects changes in the projected pace of capital spending and the non-recurrence of one-time local assistance items in the 2012-13 Budget.

³ The Parks decrease primarily reflects reductions associated with non-recurring Local Assistance projects.

streamlined to form a unified policy-making process, eliminate redundancy, and ensure a coordinated State energy policy. Finally, privatization of the Long Island Power Authority will be pursued, which would subject the new provider to PSC oversight, in order to protect ratepayers and ensure reliable service.

- **Make New York the Leader in the Clean Tech Economy.** New York will take several steps to continue as a national leader in building a clean tech economy. To plan and execute this strategy, Governor Cuomo has created a new cabinet-level position of Chairman for Energy Policy and Finance for New York State. The Chairman will direct the State's energy policy through a newly formed energy subcabinet, and will oversee several new initiatives:
 - The \$1 billion Green Bank, consisting primarily of NYSERDA and NYPA resources, will utilize innovative financing mechanisms to leverage public dollars with a private sector match to spur the clean economy.
 - To increase solar panel installations for homes and businesses and to provide long term certainty to solar developers and installers, the New York Sun Solar program, primarily funded by NYSERDA, will be expanded to \$150 million annually for 10 years.
 - The Charge NY Program, funded by NYPA, NYSERDA and a New York State tax credit, will invest in a network of electric car charging stations to reduce reliance on fossil fuels by providing grants and tax credits for charging infrastructure.
- **New York Works Infrastructure Investment.** The Budget provides \$90 million of new appropriations for the next round of the New York Works capital program that will address a backlog of environmental capital needs and spur job creation and economic development statewide. New capital appropriations funding of \$45 million will be included in the OPRHP budget to support health and safety projects and critical infrastructure rehabilitation. When combined with \$45 million from uncommitted reappropriations, OPRHP will be able to advance \$90 million in new capital projects. OPRHP's budget will also include \$2.5 million for Olympic Regional Development Authority infrastructure and \$2.5 million for State fairground rehabilitation, through the Department of Agriculture and Markets. DEC will receive \$40 million to address a variety of capital needs including projects at their recreational facilities, new funding for the Environmental Restoration Program (Municipal Brownfields), e-business initiatives, capping of high risk abandoned oil and gas wells and capital grants for clean water infrastructure projects.
- **Enhance the Cleaner, Greener Communities Program.** The Executive Budget includes \$25 million in funding in support of the Cleaner, Greener Communities program, a competitive grant program administered by NYSERDA and designed to reduce greenhouse gas emissions, save energy and benefit the State's economy. Grants will be provided to private, not-for-profit and municipal entities and will support a variety of purposes, including energy efficiency and renewable energy projects. Up to \$15 million of the funding will finance the current program level, and \$10 million will pay for new projects.
- **Expand Access to New York Grown Agricultural Products.** Building on the success of the last two years, the Executive Budget continues \$450,000 of funding for the FreshConnect farmers market program, which benefits farmers and consumers alike by awarding competitive grants to create and expand farmers markets in underserved communities throughout New York. To increase the availability of locally grown hops for the State's growing craft brew industry, the Budget includes \$40,000 for a new program to evaluate and test hop varieties in New York. The

new “Taste-NY” program will also expand access to locally grown and produced products by establishing strategically located tax free stores featuring New York products and by using coordinated branding to showcase New York grown products in supermarkets.

- **Maintain Core Agriculture and Markets Local Assistance Funding.** Core agricultural programs that protect health and safety, provide education, and support the promotion of New York state products will be maintained at the same level as the 2012-13 Executive Budget. These programs include the Migrant Childcare program, Cornell Veterinary Diagnostic Laboratory, Cornell Pro-Dairy, the Wine and Grape Foundation, and Farm Family Assistance.
- **Make the Waste Tire Fee Permanent.** The Budget proposes to permanently extend the Waste Tire Fee and utilize existing balances in order to maintain funding for existing solid and hazardous waste activities, thereby avoiding cuts to these essential programs.