

COMMON CAUSE/NY

155 Avenue of the Americas, 4th Floor • New York, NY 10013 • 1-800-300-8707 • fax 212-807-1209

MEDIA RELEASE

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For More Information:
In NYC - Megan Quattlebaum, 917-763-0105
In Albany - Rachel Leon, 917-874-3625

In Wake of Blackouts in Queens and Staten Island, Watchdog Releases Data on Political Power of Energy Industry in New York State

(July 31, Albany and NYC) Today, Common Cause/NY released a new study which shows that the energy industry spent almost **\$11 million** in lobby spending and campaign contributions at the state level between 2003 and 2006. Additionally, another **\$1.19 million** was given by the industry between 1999 and 2002.

Recent power outages in Queens and Staten Island reveal our electric system bursting at the seams; plagued by ineffective power plants, an antiquated transmission system and rapidly growing demand. Some have argued that deregulation, a policy actively pursued by the Pataki administration over the last decade, has worsened rather than improved reliability and cost effectiveness. New York State now faces difficult questions about how to deal with rising energy demands.

The media events on the steps of City Hall and in Albany preceded the City Council Consumer Affairs Committee's scheduled oversight hearing on Con Ed in the wake of the recent blackouts in Queens and Staten Island. The NYS Assembly will be holding hearings on energy issues in Albany and Queens later this week.

"Spending big money to hire lobbyists and contribute to political campaigns is business as usual for the energy industry. But a more than week-long blackout was not business as usual for New Yorkers. The neighbor in Queens does not have a paid lobbyist in Albany arguing his case – will his voice be heard or will he be drowned out by high-paid insiders?" asked Megan Quattlebaum, Associate Director of Common Cause/NY

Common Cause/NY's analysis shows that campaign contributions from the energy industry to candidates and state leaders totaled **\$2,179,593**, with Governor Pataki and gubernatorial candidate Eliot Spitzer among the top recipients, having taken \$315,850 and \$103,400 from the industry respectively.

Governor Pataki, deregulation's main architect in New York State, was the top recipient of campaign cash, though as he neared the end of his final term, his energy industry support waned as contributions to his likely successor, Attorney General Eliot Spitzer, increased. Whoever follows Pataki into the Governor's office will face tough choices concerning energy policy.

Energy committee chairs and leaders of the legislature also received significant campaign support from the energy industry. Senator Wright (Chair of the Senate Energy and Telecommunications Committee) was next in line after Pataki in terms of the amount of industry campaign support he received: \$116,515 since 1999 (Eliot Spitzer's \$103,400 puts him in third place among recipients). Senate Majority Leader Bruno comes in at fourth place having received \$51,000. Assemblyman Tonko (Chair of the Assembly Energy Committee) received \$50,500 and Assembly Speaker Silver has received \$38,830 (all since 1999).

Energy industry lobbying expenditures totaled more than \$9,767,651 from January 2003 to June 2006.

"Deregulation has left us with an agency - the PSC - that has been unwilling to take utility companies to task. Our current lack of planning and oversight has clearly failed us, as any resident of Western Queens can tell you. The Legislature and the Governor need to pull us out of this quagmire and take definitive steps to ensure that New York has a plan to provide clean and reliable energy in the years to come," stated Jason Babbie, Energy Policy Analyst for NYPIRG.

The Public Service Commission is supposed to oversee electric power service, but some have argued that Governor Pataki's appointments have stacked the commission with partisans and insiders. Indeed, Common Cause/NY's analysis shows a swiftly turning revolving door at the PSC: John O'Mara, the first Pataki appointed PSC Chairman, became a registered lobbyist for Niagara Mohawk after overseeing deregulation, the plan that pulled NIMO from the brink of bankruptcy. The next Pataki appointed PSC chairwoman, Maureen Helmer, left the PSC to work for the lobbying firm Couch & White, often appearing on behalf of clients before the PSC. Pataki appointed Gavin Donohue, his former Assistant Secretary, to the Department of Environmental Conservation. Donohue then left to head the Independent Power Producers of NY (IPPNY), an energy trade group that has made substantial campaign contributions over the years. William M. Flynn, the current PSC Chairman, is a former aide to Dennis Vacco, the Republican attorney general from 1995 to 1998.

This analysis is part of Common Cause/NY's "Connect the Dots" series, which analyzes the impact of money in politics on issues that New Yorkers care about.