

OPINION

Hoping for Yahoo

Data center would bring high-paying jobs to area

Finally, some positive economic news for Western New York. Or, at least, some potentially good news.

The New York Power Authority agreed Tuesday to authorize 15 megawatts of low-cost hydropower for Internet company Yahoo, which is interested in building a data center in Western New York. NYPA has been criticized for being stingy in its recent allocation of power, which area officials said killed potential economic development deals in Orleans County.

NYPA appeared to listen to the criticism and was a bit more generous this time around. Fifteen megawatts is a pretty good chunk of power. By comparison, the ethanol plant in Medina uses five megawatts. Political leaders such as Gov. David Paterson, U.S. Sen. Charles Schumer, D-New York, and State Sen. George Maziarz, R-Newfane, believe the availability of this low-cost power will convince California-based Yahoo to build in this area.

Plus, there's a local aspect to this story. Yahoo is looking at three possible Western New York sites, including one in Genesee County along Route 77 near the Pembroke exit of the New York State Thruway. The other two possible sites are in Niagara County, in the towns of Lockport and Cambria.

The prize for landing such a data center would be a rich one. A data center could create about 125 high-paying jobs, with average salaries in the \$60,000 per year range. You can never have enough of those kinds of jobs. Plus, Schumer and others believe it would attract other high-tech companies to the area. So, even if Genesee County doesn't get the Yahoo data center, the county may be able to land some other high-tech projects.

We're confident Yahoo will decide to build in Western New York, and we particularly hope it decides on Genesee County. Such a project could help lead to an economic revival for this region.

Yahoo

— From page A-1

Development Center Executive Director Steve Hyde said he was “delighted” the NYPA is offering the low-cost electricity. He would not confirm or deny that Yahoo is interested in a Genesee County site, although Maziarz had already confirmed it.

Hyde spoke only in generalities about potential tenants for the county’s industrial parks.

“We’ve got a couple of major projects we’re working (on) very actively.”

Yahoo, headquartered in Sunnyvale, Calif., has been expanding its number of data centers around the country. The centers use a large amount of energy. It recently announced plans for a 150,000-square-foot data center with 50 jobs in Nebraska. The center would cost \$100 million.

Yahoo was approved for 10 megawatts of power for the first phase of construction, which could potentially begin in the fall of 2009. The data center could be operational in January 2011, state officials said.

The company would receive five more megawatts for the second phase of its project, expected for the spring of 2012. The second phase could include potentially tens of millions of dollars in additional investments by Yahoo, state officials said in a news release.

The 15 megawatts approved by NYPA is a substantial amount of low-cost electricity. The ethanol plant in Medina, for example was approved about two years ago for 5 megawatts of hydropower.

The low-cost hydropower is

available to companies within a 30-mile radius of the Niagara Power Project, pending approval by the NYPA board.

Maziarz credited NYPA for helping to convince Yahoo to build in WNY.

“This may be a sign that we have finally gotten NYPA’s attention,” Maziarz said. “That’s a good thing because these high-tech jobs are just what our region needs to create new opportunities for the future.”

(Staff writer Paul Mrozek contributed reporting to this article.)