

NATIONAL GRID PLAYS KEY ROLE IN ATTRACTING AMD PLANT

By Don Horne

A project started almost a decade ago has borne fruit for Saratoga County, New York in the form of a semiconductor company agreeing to build a \$3.2 billion computer chip manufacturing plant there.

National Grid, the major utility provider for the area, played a leading role in laying the groundwork to make such a move possible.

“Eight years ago we began targeting this type of industry, which came about from another unsuccessful bid,” says Marilyn Higgins, VP of Economic Development for National Grid. “Computer chip manufacturers are very, very specific in their power reliability requirements. Reliability and capacity are a big part of their decision-making when it comes to choosing location.”

The company, Advanced Micro Designs Inc. (AMD), is expected to employ 1,200 people in their factory, and create more than 1,500 construction jobs as well. Construction is expected to begin in the fall of 2007, taking anywhere from 18 months to 2 years to complete.

For National Grid, it means the construction of one new substation and four new transmission lines, with an expected capacity of 100 megawatts.

“There is the capacity to expand,” Ms. Higgins points out. “AMD is expected to draw other similar industries.”

The groundwork laid to attract AMD is considerable, and an excellent lesson in that you have to spend money to make money.

“It’s been a long-term process, started by Niagara Mohawk, which National Grid bought out,” she says. “Actually,

after the purchase, National Grid not only maintained the budget for this project, but increased the money.”

What followed were exhaustive searches for an appropriate site (the Luther Forest Technology Campus was chosen and upgraded), and countless trade shows, meetings and sales junkets - \$1 million in total spent on attracting industry to the state.

Saratoga Economic Development Corp., the developer of Luther Forest, received nearly \$750,000 for site preparation, including engineering, aerial mapping, and environmental and vibration studies from National Grid.

The utility also worked closely with groups like the Center for Economic Growth, an Albany-based economic development group, and Albany NanoTech, the University at Albany’s \$3 billion nanotechnology research and development center.

National Grid is an international energy delivery business based in the UK with principal activities in the regulated electricity and natural gas industries. In the U.S., National Grid delivers electricity to approximately 3.3 million customers across 29,000 square miles of Massachusetts, New Hampshire, upstate New York and Rhode Island. The company also distributes natural gas to 565,000 upstate New York customers.

But for upstate New York, the AMD announcement is great news for a region that has been witness to a decade-long drain in manufacturing jobs - a whopping 33 per cent.

“We lost about a quarter of our young people, because there just wasn’t any work here,” says Ms. Higgins. “So for a semiconductor company to locate in upstate New York, it is really encouraging.”



Marilyn Higgins, VP of Economic Development for National Grid.