

POWER AUTHORITY OF THE STATE OF NEW YORK

In the Matter of
Proposed Hydropower Contract Extensions

PUBLIC HEARING in the above matter conducted
at the Syracuse University Schine Student Center,
Room 228B, 300 University Place, Syracuse, New
York before, JOHN F. DRURY, CSR, RPR, Notary
Public in and for the State of New York, on
February 7, 2013, 3:00 p.m. to 7:00 p.m.

A p p e a r a n c e s :

JAMES PASQUALE, Senior VP Economic Development
and Energy Efficiency at NYS
Power Authority

KAREN DELINCE, Corporate Secretary, NYS
Power Authority



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1 Ms. Delince

2 MS. DELINCE: Good afternoon. This
3 is a public hearing required by law and
4 authorized by the New York Power
5 Authority Board of Trustees on proposed
6 hydropower contract extensions with:
7 Niagara Mohawk Power Corporation, doing
8 business as National Grid, New York
9 State Electric and Gas Corporation and
10 Rochester Gas and Electric Corporation.

11 My name is Karen Delince and I'm
12 Corporate Secretary of the New York
13 Power Authority. As required by hearing
14 procedures set forth in the New York
15 State Public Authorities Law, Section
16 1009, a notice of the hearing was
17 published in six newspapers once a week
18 for the four weeks leading up to this
19 hearing.

20 The notice of this hearing appeared
21 in the following newspapers: Buffalo
22 News, Massena Daily Courier-Observer,
23 Syracuse Post Standard, Rochester
24 Democrat and Chronicle, Albany Times
25 Union, Utica Observer Dispatch.

1 Ms. Delince

2 Also pursuant to the Public

3 Authorities Law, notices of this hearing

4 and copies of the proposed contracts

5 were sent to the Governor, Andrew Cuomo

6 and the following legislative leaders:

7 The President Pro Temp of the New York

8 State Senate, the Speaker of the

9 Assembly, the Chairman of the State

10 Finance Committee, the Chairman of the

11 Assembly Ways and Means Committee, the

12 Senate Minority Leader, the Assembly

13 Minority Leader.

14 During the thirty days prior to

15 today's hearing, copies of the proposed

16 contracts were made available for

17 inspection at the Authority's White

18 Plains office, as well as on the

19 Authority's website.

20 If you plan to make an oral

21 statement at this hearing, I ask that

22 you please see Lorna Johnson at the

23 sign-in table and fill out a card. Also

24 if you have written statements, please

25 give a copy to Ms. Johnson and one to

1 Ms. Delince

2 the reporter.

3 Your written statements may be of
4 any length and will appear in the record
5 of this hearing in addition to your oral
6 statements. The record of the hearing
7 will remain open for additional comments
8 or statements through close of business
9 Friday, February 8th.

10 Any additional submission should be
11 mailed to the Authority's Corporate
12 Secretary at 123 Main Street, 11-P,
13 White Plains, New York, 10601 or faxed
14 to (914) 390-8040 or e-mailed to
15 secretarys.office@nypa.gov.

16 A complete transcript of the
17 hearing, along with all written
18 submissions, will be submitted to the
19 Authority's trustees, who shall
20 reconsider the terms of the proposed
21 contracts and make changes as they deem
22 necessary or advisable in light of your
23 comments. The transcript of this
24 hearing will also be available to the
25 public for review at the Authority's

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Mr. Pasquale

the sale of hydropower to three Upstate investor-owned utilities for resale to rural and domestic or R&D consumers. Due to legislation enacted in 2011, the proposed contract extensions would continue the sale of firm peaking hydropower to the utilities for resale to rural and domestic consumers, but will no longer include the sale of firm hydropower.

These three utilities: National Grid, formerly Niagara Mohawk Power Corporation, New York State Electric and Gas or NYSEG, and Rochester Gas and Electric Corporation or RG&E, have been receiving firm peaking hydropower from the Niagara project for resale to R&D consumers since 1990, with subsequent annual renewals since 2007.

Pursuant to Section 1009 of the Public Authority's law, this contract extension process is subject to public notice, hearing, and approval by the Governor. The contract extensions are

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Mr. Pasquale

2

reallocation as may be authorized by law

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or as otherwise may be determined by the

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Authority's Trustees. The utilities may

5

each terminate their allocation after

6

one year upon thirty days written

7

notice. The multi-year term provides

8

further stability for the utilities and

9

the Authority, while the Authority's

10

withdrawal provisions of the proposed

11

contracts will allow the consideration

12

of the use of the subject block of power

13

for economic development or other

14

purposes.

15

As Ms. Delince stated earlier, the

16

Power Authority will accept your

17

comments on the proposed contracts until

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close of business Friday, February 8,

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2013. I will now turn the forum back

20

over to Ms. Delince.

21

MS. DELINCE: Thank you, Mr. Pasquale.

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We will now recess and reconvene when

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speakers arrive.

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(Waited until 7 o'clock, for speakers

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who never came)

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Mr. Pasquale

MS. DELINCE: On February 7, 2013,
New York Power Authority hearing on
proposed hydropower contract extension
is now closed.

[Conclusion of public hearing].

* * * *

REPORTER'S CERTIFICATE

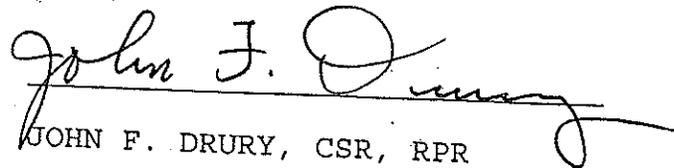
I, JOHN F. DRURY, Court Reporter and
Notary Public, certify:

That the foregoing proceedings were taken
before me at the time and place therein set forth, at
which time the witness was put under oath by me;

That the testimony of the witness and all
objections made at the time of the examination were
recorded stenographically by me and were thereafter
transcribed;

That the foregoing is a true and correct
transcript of my shorthand notes so taken;

I further certify that I am not a relative or
employee of any attorney or of any of the parties nor
financially interested in the action.


JOHN F. DRURY, CSR, RPR

Notary Public

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