

# Chief Financial Officer – Summary Report

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**For the two months ended February 28, 2014**

# Executive Summary

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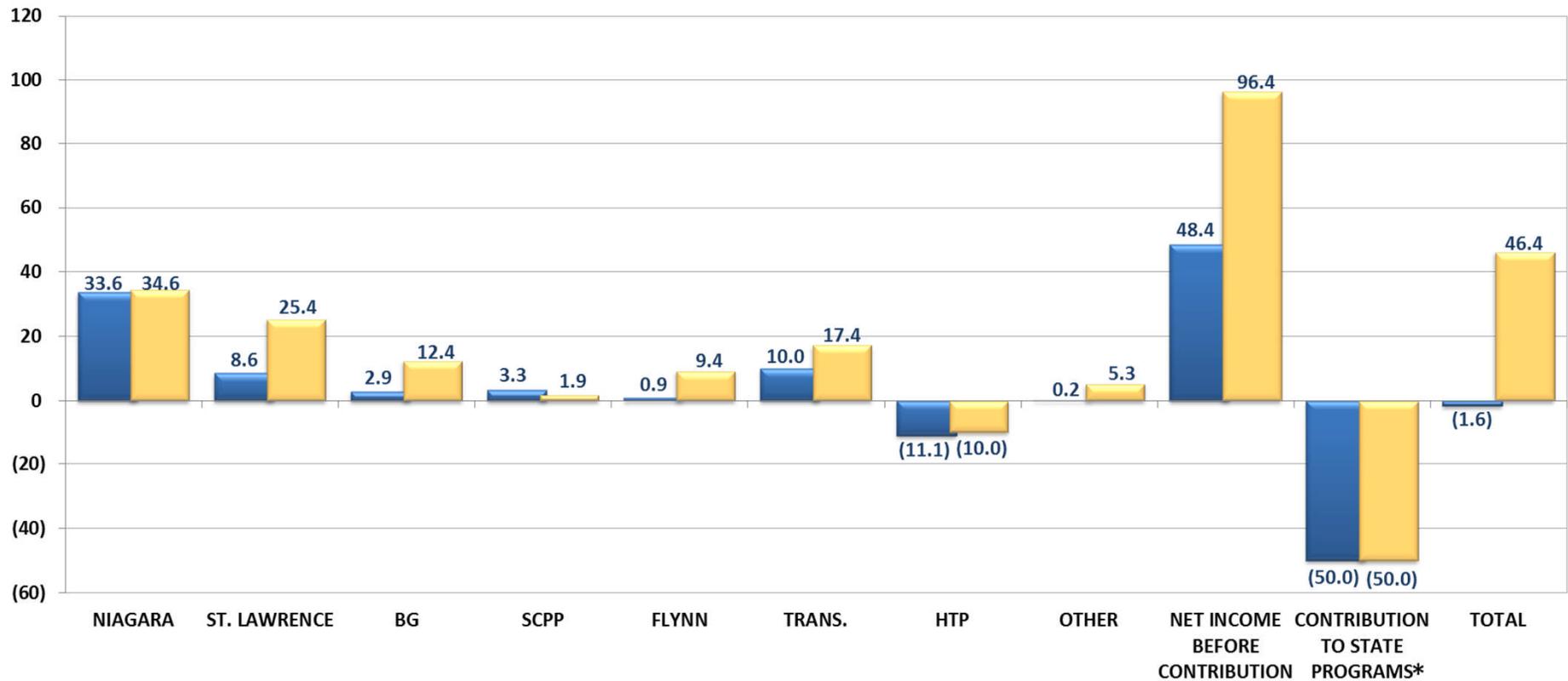
## Net Income

- Net income through February 2014, prior to the recognition of the voluntary contribution to New York State, was a positive \$96.4 million, which was \$48.0 million higher than the budget.
  - With the inclusion of the budgeted \$50 million voluntary contribution, the Authority had net income of \$46.4 million year-to-date compared to a budgeted net loss of \$1.6 million.
- The severe weather in January and February, and its resulting impact on market prices, were significant drivers of the year-to-date results. With energy prices more than double those of a year ago, NYPA saw higher net margins on sales (\$31.9 million). Higher investment income (\$6.9 million) and insurance reimbursements (\$6.3 million) not reflected in the budget also contributed to the variance. In sum:
  - Margins on market-based sales were higher than budgeted due to the spike in energy prices. Positive variances were significant at St. Lawrence, Blenheim-Gilboa and Flynn.
  - Investment income included a mark-to-market gain on the Authority's investment portfolio (\$5.6 million) due to lower market interest rates.
  - Reimbursements related to Hurricane Irene and a prior year transformer failure were received during January and February.

# Net Income

Two months ended February 28, 2014  
(\$ in millions)

■ BUDGET  
■ ACTUAL



*\* As authorized by the Trustees in January, payment made in support of NY State's Open for Business economic development initiative*

# Market Energy Prices

(\$/mwh)

