

EXHIBIT A

**Non-Compliance with Job Commitments – Proposed Reductions in Contract Demands and RNY
Power Allocations with Adjustments to Job Commitments**

1. AccuMED Innovative Technologies, LLC (Buffalo, Erie County)

Allocation: 86 kW
Contract Demand: 86 kW
Power Utilization: 100%
Cumulative Capital Spending: \$632,063 or 16% of 5yr. commitment
Job Commitment: 200 jobs
Jobs Reported: 140 jobs or 70%

Background: AccuMed Technologies manufactures medical devices. In 2013, the company stated that many customers are looking to overseas suppliers to provide lower cost products, which has limited the company's ability to hire and maintain current staff levels. During 2014, one of its largest customers shifted manufacturing from AccuMed to in-house production, forcing AccuMed to reduce staffing.

Recommendation: *Staff recommends that the Trustees authorize a reduction in the allocation and contract demand to not less than 80 kW, and authorize an adjustment of the job commitment to not less than 190 jobs.*

2. Albany Molecular Research, Inc. (Albany, Albany County)

Allocation: 1,350 kW
Contract Demand: 1,350 kW
Power Utilization: 86%
Cumulative Capital Spending: \$5,273,746 or 35% of 5yr. commitment
Job Commitment: 363 jobs
Jobs Reported: 254 jobs or 70%

Background: Albany Molecular is a Research Pharmaceutical company. In 2013, Albany Molecular reduced staff at its AMRI West Campus location in Albany by 73 jobs. This reduction was due to AMRI's decision to strategically move many employees to different corporate locations within New York State which affected the original base line employment level.

Recommendation: *Staff recommends that the Trustees authorize a reduction in the allocation and contract demand to not less than 1,280 kW, and authorize an adjustment of the job commitment to not less than 345 jobs.*

3. Burton Industries, Inc. (North Babylon, Suffolk County)

Allocation: 426 kW
Contract Demand: 426 kW
Power Utilization: 100%
Cumulative Capital Spending: \$620,718 or 83% of commitment
Job Commitment: 50 jobs
Jobs Reported: 34 jobs or 68%

Background: Burton Industries Inc. provides metal heat-treating services. During the first half of 2013, a division of Burton Industries, the North East Finishing Company (NEFCO) was separated from Burton Industries. As part of succession planning, NEFCO is no longer part of Burton Industries and separately employs approximately 20 people. Burton Industries no longer has any financial interest in this division and no longer controls employment at NEFCO. Consequently, as of June 2014, employment at Burton is now at 34 jobs. The company has requested a modification to its job commitments.

Recommendation: *Staff recommends that the Trustees authorize a reduction in the allocation and contract demand to not less than 400 kW, and authorize an adjustment of the job commitment to not less than 47 jobs.*

4. County Frame Corp. (Holtsville, Suffolk County)

Allocation: 70 kW
Contract Demand: 70 kW
Power Utilization: 100%
Cumulative Capital Spending: 0% of 5yr. commitment
Job Commitment: 80 jobs
Jobs Reported: 45 jobs or 56%

Background: County Frame Corp. manufactures framed artwork. The company did not provide any information explaining its reported job shortfall.

Recommendation: *Staff recommends that the Trustees authorize a reduction in the allocation and contract demand to not less than 60 kW, and authorize an adjustment of the job commitment to not less than 65 jobs.*

5. Ethox International, Inc. (Buffalo, Erie County)

Allocation: 250 kW
Contract Demand: 250 kW
Power Utilization: 100%
Cumulative Capital Spending: \$163,526 or 33% of 5yr. commitment
Job Commitment: 94 jobs
Jobs Reported: 61 jobs or 65%

Background: Ethox International specializes in medical devices for use in operating rooms. There was a change in ownership in mid-2013, which led to, among other things, personnel cuts.

Recommendation: Staff recommends that the Trustees authorize a reduction in the allocation and contract demand to not less than 230 kW, and authorize an adjustment of the job commitment to not less than 85 jobs.

6. Friedberg Jewish Community Center (Oceanside, Nassau County)

Allocation: 30 kW
Contract Demand: 30 kW
Power Utilization: 100%
Cumulative Capital Spending: 0% of 5yr. commitment
Job Commitment: 425 jobs
Jobs Reported: 254 jobs or 60%

Background: Friedberg Jewish Community Center provides community services. Due to the economic conditions and other factors, it has been unable to meet its job commitment. It is currently adding programs and services that may eventually result in a sustained employment level in the future.

Recommendation: Staff recommends that the Trustees authorize a reduction in the allocation and contract demand to not less than 20 kW, and authorize an adjustment of the job commitment to not less than 361 jobs.

7. The Indium Corporation of America (Lincoln Avenue, Utica, Oneida County)

Allocation: 176 kW
Contract Demand: 176 kW
Power Utilization: 100%
Cumulative Capital Spending: \$1,160,837 or 116% of 5yr. commitment
Job Commitment: 65 jobs
Jobs Reported: 30 jobs or 46%

Background: The Indium Corporation of America manufactures electronic assembly materials. Indium has four facilities with RNY allocations and in aggregate the company is meeting its jobs and capital spending commitments. Due to changing business demands and manufacturing consolidations, Indium relocated employees from Lincoln Avenue to its Business Park location, also in Utica.

Recommendation: Staff recommends that the Trustees authorize a reduction in the allocation and contract demand to not less than 120 kW, and authorize an adjustment of the job commitment to not less than 46 jobs.

8. ITT Corp. (EDO) (Bohemia, Suffolk County)

Allocation: 360 kW
Contract Demand: 360 kW
Power Utilization: 100%
Cumulative Capital Spending: \$722,241 or 29% of 5yr. commitment
Job Commitment: 220 jobs
Jobs Reported: 157 jobs or 71%

Background: ITT Corp. (EDO) manufactures antennas. The company reports job shortfalls as a result of the effect of the defense budget sequestration, which had implications on its receipt of Department of Defense contracts. ITT Corp. anticipates a slight increase in staff during 2015. In year 1, the company reported 88% compliance with 193 jobs.

Recommendation: *Staff recommends that the Trustees authorize a reduction in the allocation and contract demand to not less than 350 kW, and authorize an adjustment of the job commitment to not less than 211 jobs.*

9. Intertek Testing Services NA, Inc. (Cortland, Cortland County)

Allocation: 606 kW
Contract Demand: 606 kW
Power Utilization: 100% of commitment
Cumulative Capital Spending: \$1,537,701 or 12% of 5yr. commitment
Job Commitment: 418 jobs
Jobs Reported: 308 jobs, or 74%

Background: Intertek Testing Services provides testing, inspecting and product certification services. The company did not provide any information explaining its job shortfall.

Recommendation: *Staff recommends that the Trustees authorize a reduction in the allocation and contract demand to not less than 600 kW, and authorize an adjustment of the job commitment to not less than 414 jobs.*

10. Northrop Grumman Systems Corporation (Bethpage, Nassau County)

Allocation: 1,716 kW
Contract Demand: 1,716 kW
Power Utilization: 100%
Cumulative Capital Spending: 0% of 5 yr. commitment
Job Commitment: 1,566 jobs
Jobs Reported: 905 jobs or 58%

Background: Northrop Grumman Systems Corporation is a security products company for government and commercial customers. Northrop Grumman reported 537 jobs less than the previous reporting period. The company cites business reorganization as the reason for the jobs shortfall. Based on latest communications, it anticipates that job count moving forward will be less than originally planned.

Recommendation: *Staff recommends that the Trustees authorize a reduction in the allocation and contract demand to not less than 1,420 kW, and authorize an adjustment of the job commitment to not less than 1,300 jobs.*

11. Universal Photonics, Inc. – Vernon (Vernon, Dutchess County)

Allocation: 116 kW
Contract Demand: 116 kW
Power Utilization: 100%
Cumulative Capital Spending: \$4,683,689 or 123% of 5yr. commitment
Job Commitment: 65 jobs
Jobs Reported: 43 jobs or 66%

Background: Universal Photonics provides critical surface preparation materials. For this second reporting period, the company continues to indicate that an overall decline in its sales has kept it from maintaining employment levels.

Recommendation: *Staff recommends that the Trustees authorize a reduction in the allocation and contract demand to not less than 110 kW, and authorize an adjustment of the job commitment to not less than 59 jobs.*

12. Women’s Housing & Economic Development Corp. (Bronx, Bronx County)

Allocation: 16 kW
Contract Demand: 16 kW
Power Utilization: 100%
Cumulative Capital Spending: \$5,500,000 or 27% of 5yr. commitment
Job Commitment: 275 jobs
Jobs Reported: 167 jobs or 61%

Background: Women's Housing & Economic Development (“WHEDCO”) is a green building program for affordable housing. In July 2014, WHEDCO acquired 2 new program contracts. As a result, it is hopeful it can hire more full time employees in the future.

Recommendation: *Staff recommends that the Trustees authorize a reduction in the allocation and contract demand to not less than 10 kW, and authorize an adjustment of the job commitment to not less than 237 jobs.*

13. Ultralife Batteries, Inc. (Newark, Wayne County)

Allocation: 900 kW
Contract Demand: 900 kW
Power Utilization: 100%
1-year Capital Investment Commitment: \$1,285,000
Capital Investment reported: \$603,834 or 47% of commitment
Cumulative Capital Spending: \$692,500 or 54% of commitment
Job Commitment: 402 jobs
Jobs Reported: 162 jobs or 40%

Background: Ultralife Batteries, Inc. manufactures batteries and communication systems. Ultra life stated due to reduced government spending, its revenues and capital spending are below projections. Employment was reduced due to a drop in sales and reorganization to support its current sales.

Recommendation: *Staff recommends that the Trustees authorize a reduction in the allocation and contract demand to not less than 590 kW, and authorize an adjustment of the job commitment to not less than 261 jobs and the capital investment commitment to not less than \$835,250.*

EXHIBIT B

Non-Compliance with Capital Investment Commitments – Proposed Reductions in Contract Demands and Hydropower Allocations with Adjustments to Job Commitments and Capital Investment Commitments

1. Canada Dry Bottling Company of New York, Inc. (Melville, Suffolk County)

Allocation: 40 kW
Contract Demand: 40 kW
Power Utilization: 100%
1-year Capital Investment Commitment: \$95,689
Capital Investment reported: \$0
Cumulative Capital Spending: 0%
Job Commitment: 51 jobs
Jobs Reported: 56 jobs or 110%

Background: Canada Dry is a beverage distributor and is under the ownership of the Pepsi Cola Bottling Company of NY. The company has not met the capital spending commitment due to a decision by its corporate parent to redirect investment to other facilities. Canada Dry previously indicated plans to invest during the 2014 year, however for a second year; it has not made any investment at this particular facility.

Recommendation: *Staff recommends that the Trustees authorize a reduction in the allocation and contract demand to not less than 30 kW, and authorize an adjustment of the job commitment to not less than 38 jobs and the capital investment commitment to not less than \$23,920.*

2. Ultralife Batteries, Inc. (Newark, Wayne County)

Allocation: 900 kW
Contract Demand: 900 kW
Power Utilization: 100%
1-year Capital Investment Commitment: \$1,285,000
Capital Investment reported: \$603,834 or 47% of commitment
Cumulative Capital Spending: \$692,500 or 54% of commitment
Job Commitment: 402 jobs
Jobs Reported: 162 jobs or 40%

Background: Ultra life Batteries, Inc., manufactures batteries and communication systems. Ultra life stated due to reduced government spending, its revenues and capital spending are below projections. Employment was reduced due to a drop in sales and reorganization to support its current sales.

Recommendation: *Staff recommends that the Trustees authorize a reduction in the allocation and contract demand to not less than 590 kW, and authorize an adjustment of the job commitment to not less than 261 jobs and the capital investment commitment to not less than \$835,250.*

EXHIBIT C

Reported Non-Compliance with Commitments – No Action Recommended

1. Dab-O-Matic Corporation (Mount Vernon, Westchester County)

Allocation: 136 kW
Contract Demand: 136 kW
Power Utilization: 100%
1-year Capital Investment Commitment: \$425,000
Capital Investment reported: \$130,005 or 31%
Cumulative Capital Spending: \$195,801 or 46%
Job Commitment: 83 jobs
Jobs Reported: 85 jobs or 102%

Background: Dab-O-Matic manufactures flow applicators. The company indicates that a bad economy forced it to cut back on capital expenditures during the reporting period, although it managed to maintain its employment commitment during this period. The company had nearly \$300,000 of planned capital spending for the year 2014, but was not able to sustain this level of spending. It plans to purchase more equipment by the next reporting period.

Recommendation: *Staff recommends no action at this time.*

2. Alken Industries, Inc. (Ronkonkoma, Suffolk County)

Allocation: 80 kW
Contract Demand: 80 kW
Power Utilization: 70%
Cumulative Capital Spending: \$35,753 or 1% of 5yr. commitment
Job Commitment: 50 jobs
Jobs Reported: 50 jobs or 100%

Background: Alken Industries, Inc. manufactures and assembles aircraft parts. Although it has not satisfied its power utilization commitment, it has reallocated its RNY allocation to additional electric accounts which staff expects will enable it to better utilize its allocation.

Recommendation: *Staff recommends no action at this time.*

3. Huron Real Estate Associates, LLC (Endicott, Broome County)

Allocation: 10,000 kW
Contract Demand: 10,000 kW
Power Utilization: 70%
Cumulative Capital Spending: \$11,953,035 or 80% of 5yr. commitment
Job Commitment: 2,100 jobs
Jobs Reported: 1,842 jobs or 88%

Background: Huron Real Estate Associates, LLC is a real estate company. Although it has not satisfied its power utilization commitment, it has reallocated its RNY allocation to additional electric accounts which staff expects will enable it to better utilize its allocation.

Recommendation: Staff recommends that the Trustees take no action at this time.

EXHIBIT D

Non-Compliance with Reporting Requirement – Electric Service to be Suspended

1. Fermer Precision (Ilion, Herkimer County)

Allocation: 160 kW
Contract Demand: 160 kW
Power Utilization: 0%
Cumulative Capital Spending: \$98,813 or 24% of 5yr. commitment
Job Commitment: 57 jobs
Jobs Reported: 0 jobs or 0%

Background: Fermer Precision provides machining applications for metal and plastic industries. The company did not submit its year 2014 compliance report.

2. GE Inspection Technologies (Skaneateles, Onondaga County)

Allocation: 146 kW
Contract Demand: 146 kW
Power Utilization: 0%
Capital Spending Reported \$0.0 or 0% of 5yr. commitment
Job Commitment: 185 jobs
Jobs Reported: 0 jobs or 0%

Background: GE Inspections Technologies manufactures video inspection equipment. The company did not submit its year 2014 compliance report.