

***MINUTES OF THE REGULAR MEETING
OF
THE ECONOMIC DEVELOPMENT POWER
ALLOCATION BOARD***

October 26, 1998

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NIMO

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NIMO

Bennington Paper Board
North Hoosick - Rensselaer County –
NIMO

Bonded Insulation Company, Inc.
Hagaman - Montgomery County –
NIMO

Brownville Specialty Paper
Products, Inc.
Brownville - Jefferson County –
NIMO

Buffalo Technologies Corporation
Buffalo - Erie County –
NIMO

Byrne Dairy , Inc.
Syracuse - Onondaga County –
NIMO

C.O.T. Plywood Corporation
Whitehall - Washington County –
NIMO

Camillus Cutlery Corporation
Camillus - Onondaga County –
NIMO

Carrier Corporation
Syracuse - Onondaga County –
NIMO

Cortland Line Co. Inc.
Cortland - Cortland County –
NIMO

Distributor Date Forms, Inc.
Cortland - Cortland County –
NIMO

Divine Brothers Company
Utica - Oneida County –
NIMO

Ethan Allen, Inc.
Frewsburg - Chautauqua County –
NIMO

Ethox Corporation
Buffalo - Erie County –
NIMO

Federal Bakers Supply Corporation
Buffalo - Erie County –
NIMO

Fitzpatrick & Weller, Inc.
Ellicottville - Cattaraugus County –
NIMO

Gehring Tricot Corporation
Dolgeville - Herkimer County –
NIMO

Graphics Controls Corporation
Buffalo - Erie County –
NIMO

Gray-Syracuse, Inc.
Oneida - Madison County –
NIMO

Helmont Mills Company
Dolgeville - Montgomery County –
NIMO

ITT Standard
Cheektowaga – Erie County –
NIMO

Jamestown Advanced Products, Inc.
Jamestown - Chautauqua County –
NIMO

Knight Marketing Corporation
Johnston - Fulton County –
NIMO

Marlette National Corporation
Buffalo - Erie County –
NIMO

Mercy Hospital of Buffalo
Buffalo - Erie County –
NIMO

Mount St.Mary's Hospital
Lewiston - Niagara County –
NIMO

Native Textiles, Inc.
Glens Falls - Warren County –
NIMO

Natrium Products, Inc.
Cortland - Cortland County –
NIMO

Niagara Falls Medical Center
Niagara Falls - Chemung County –
NIMO

NIBCO, Inc.
South Glens Falls - Saratoga County –
NIMO

Norlite Corporation
Cohoes - Albany County –
NIMO

North Hudson Woodcraft Corporation
Dolgeville - Herkimer County –
NIMO

Ontario Foods, Inc.
Albion - Orleans County –
NIMO

Peak Resorts, Inc./Suit-Kote, Inc./
Gernatt Asphalt Products, Inc.
Cortland – Cortland County –
NIMO

Standard Manufacturing Co., Inc.
Troy - Rensselaer County –
NIMO

The Utica Companies, Inc.
Utica - Oneida County –
NIMO

Utica Convertors, Inc.
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NIMO

Vicks Lithograph & Printing
Yorkville - Oneida County –
NIMO

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Elrae Industries, Inc.
Alden – Erie County –
NYSEG

Kraft Foods, Inc.
Walton - Delaware County –
NYSEG

Lancaster Steel Service Co., Inc.
Lancaster – Erie County –
NYSEG

McKechnie Plastic Packaging Co., Inc.
Philmont - Columbia County -
NYSEG

PCB Piezotronics, Inc.
Depew – Erie County –
NYSEG

Reva Plastics Corporation
Port Byron – Cayuga County –
NYSEG

Universal Instruments Corporation
Kirkwood – Broome County –
NYSEG

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October 26, 1998

A regular meeting of the Economic Development Power Allocation Board was held at the New York City office of the Power Authority of the State of New York at 1633 Broadway, Board Room at 11:10 a.m.

The following Members of the Board were present:

1. Clarence D. Rappleyea - Chairman
2. H. Douglas Barclay
3. Joseph M. DelSindaco
4. James A. Duncan

Also in attendance were:

David E. Blabey	Executive Vice President, Secretary and General Counsel, NYPA
Louise M. Morman	Senior Vice President – Marketing & Economic Development, NYPA
C. John Clemente	Deputy General Counsel, NYPA
Joseph J. Carline	Assistant General Counsel, NYPA
James H. Yates	Director – Business Marketing and Economic Development, NYPA
James Pasquale	Manager – Business Power Allocation and Compliance, NYPA
Michael Huvane	Account Executive, NYPA
Daniel Berical	Vice President – Policy & Governmental Affairs, NYPA
Gary Paslow	Executive Director – Policy Development, NYPA
John Hamor	Director – Intergovernmental Relations, NYPA
Anne Wagner-Findeisen	Deputy Secretary, NYPA
Vernadine E. Quan-Soon	Assistant Secretary, NYPA
Michael Petralia	Vice President – Public Affairs, NYPA
Steve Shoenholz	Deputy Vice President – Public Affairs, NYPA

John L. Murphy

Director – Public Information, NYPA

Sharon Robinson

Analyst, NYPA

Chairman Rapplelea presided at the meeting and Mr. Blabey kept the minutes.

October 26, 1998

2. Adoption of Minutes

The minutes of the meeting of September 23, 1998 were unanimously adopted by the members of the Board.

October 26, 1998

3. Opening Remarks of Chairman Clarence D. Rappleyea

Chairman Rappleyea welcomed the board members to the third meeting of Year One -- Part Two -- of the Power for Jobs program.

Chairman Rappleyea noted that EDPAB had finished the original Year One allocation of 133.3 megawatts by April 1998, approving recommended allocations to 150 applicants. In return for that power, those applicants committed to save and create more than 100,000 jobs. Governor Pataki and the state legislature subsequently acted to amend the law and accelerate the program, providing for the allocation of another 134 megawatts of low-cost electricity this year.

At the August 26th and September 23rd meetings EDPAB meetings, the Board approved 102 recommended allocations, using some 69 megawatts, linked to commitments for more than 32,000 jobs.

As has been the practice throughout the program, the review process for this month's agenda included the active participation of Empire State Development Corporation and the Public Service Commission's Office of Business Advocate. Each application was reviewed to assess the jobs created, jobs retained, energy savings, investment, payroll, and community impact.

The Chairman noted that the proposed agenda includes several recommendations for allocations that exceed the territorial distribution of the program's megawatts, and that EDPAB is authorized by the Economic Development Law to consider such recommendations, as follows:

[T]he board may recommend an allocation which exceeds any proportional distribution if it determines that such an allocation would advance the public policy set forth in this section to provide effective incentives to promote economic development, maintain and develop jobs, and encourage new capital investment throughout New York State (Section 189 (i) of the Economic Development Law).

Mr. Yates then presented the applications as set forth below.

October 26, 1998

4. **Consolidated Edison Service Territory**

The Members of the Board considered the eight applications for Power for Jobs.

The following resolution was unanimously adopted by the members of the Board.

WHEREAS, the following entities in Consolidated Edison's service territory have applied for allocations of Power for Jobs Service:

Acme Smoked Fish Corporation
Brooklyn – Kings County

Cecilware Corporation
Iselin - Queens County

Henry Modell, Inc.
Bronx - Bronx County

J.J. Cassone Bakery, Inc.
Portchester - Westchester County

Kinray Corporation
Whitestone - Queens County

Long Island Jewish Hospital
New Hyde Park - Queens County

Mt. Sinai Medical Center
New York City – New York County

New York Presbyterian Hospital
New York City – New York County

NOW THEREFORE BE IT RESOLVED, That the Board hereby finds and determines that such applications meet the requirements of the Power for Jobs legislation contained in Chapter 316 of the Laws of 1997 and Chapter 386 of the Laws of 1998; and be it further

RESOLVED, That the Board hereby recommends to the Power Authority of the State of New York the eight allocations discussed herein totaling 11,100 kW for Consolidated Edison's service territory for three years, and that the following terms be incorporated into the Power Authority's contracts for Power for Jobs Service:

- **applicants to maintain a total of 23,049 jobs;**
- **such allocations shall be subject to the reduction of power and affirmative action provisions set forth in the Power Authority's standard form of contract for Power for Jobs Service.**

October 26, 1998

5. **Long Island Power Authority Service Territory**

The Members of the Board considered three applications for Power for Jobs.

The following resolution was unanimously adopted by the members of the Board:

WHEREAS, the following entities in Long Island Power Authority's service territory have applied for allocations of Power for Jobs Service:

Fortunoff
Garden City - Nassau County

Great Neck Saw Manufacturing, Inc.
Mineola - Nassau County

Kleer-Fax, Inc.
Amityville - Suffolk County

NOW THEREFORE BE IT RESOLVED, That the Board hereby finds and determines that such applications meet the requirements of the Power for Jobs legislation contained in Chapter 316 of the Laws of 1997 and Chapter 386 of the Laws of 1998; and be it further

RESOLVED, That the Board hereby recommends to the Power Authority of the State of New York the three allocations discussed herein totaling 2,400 kW for Long Island Power Authority's service territory for three years, and that the following terms be incorporated into the Power Authority's contracts for Power for Jobs Service:

- **applicants to maintain a total of 910 jobs;**
- **such allocations shall be subject to the reduction of power and affirmative action provisions set forth in the Power Authority's standard form of contract for Power for Jobs Service.**

October 26, 1998

6. Niagara Mohawk Service Territory

The Members of the Board considered forty applications for Power for Jobs.

The following resolution was adopted by the members of the Board.

WHEREAS, the following entities in Niagara Mohawk's service territory have applied for allocations of Power for Jobs Service:

AMF Bowling, Inc.
Lowville - Lewis County

Anoplate Corporation
Syracuse - Onondaga County

Batavia Industrial Center
Batavia - Genesee County

Bennington Paper Board
North Hoosick - Rensselaer County

Bonded Insulation Company, Inc.
Hagaman - Montgomery County

Brownville Specialty Paper
Products, Inc.
Brownville - Jefferson County

Buffalo Technologies Corporation
Buffalo - Erie County

Byrne Dairy , Inc.
Syracuse - Onondaga County

C.O.T. Plywood Corporation
Whitehall - Washington County

Camilius Cutlery Corporation
Camilius - Onondaga County

Carrier Corporation
Syracuse - Onondaga County

Cortland Line Co. Inc.
Cortland - Cortland County

Distributor Date Forms, Inc.
Cortland - Cortland County

Divine Brothers Company
Utica - Oneida County

Ethan Allen, Inc.
Frewsburg - Chautauqua County

Ethox Corporation
Buffalo - Erie County

Federal Bakers Supply Corporation
Buffalo - Erie County

Fitzpatrick & Weller, Inc.
Ellicottville - Cattaraugus County

Gehring Tricot Corporation
Dolgeville - Herkimer County

Graphics Controls Corporation
Buffalo - Erie County

Gray-Syracuse, Inc.
Oneida - Madison County

Helmont Mills Company
Dolgeville - Montgomery County

ITT Standard
Cheektowaga – Erie County

Jamestown Advanced Products, Inc.
Jamestown - Chautauqua County

Knight Marketing Corporation
Johnston - Fulton County

Marlette National Corporation
Buffalo - Erie County

Mercy Hospital of Buffalo
Buffalo - Erie County

Mount St. Mary's Hospital
Lewiston - Niagara County

Native Textiles, Inc.
Glens Falls - Warren County

Natrium Products, Inc.
Cortland - Cortland County

Niagara Falls Medical Center
Niagara Falls - Chemung County

NIBCO, Inc.
South Glens Falls - Saratoga County

Norlite Corporation
Cohoes - Albany County

North Hudson Woodcraft Corporation
Dolgeville - Herkimer County

Ontario Foods, Inc.
Albion - Orleans County

Peak Resorts, Inc./Suit-Kote, Inc./
Gernatt Asphalt Products, Inc.
Cortland - Cortland County

Standard Manufacturing Co., Inc.
Troy - Rensselaer County

The Utica Companies, Inc.
Utica - Oneida County

Utica Convertors, Inc.
Utica - Oneida County

Vicks Lithograph & Printing
Yorkville - Oneida County

NOW THEREFORE BE IT RESOLVED, That the Board hereby finds and determines that such applications meet the requirements of the Power for Jobs legislation contained in Chapter 316 of the Laws of 1997 and Chapter 386 of the Laws of 1998 and would advance the public policy set forth in Section 189(i) of the Economic Development Law to provide effective incentives to promote economic development, maintain and develop jobs, and encourage new capital investment throughout New York State; and be it further

RESOLVED, That the Board hereby recommends to the Power Authority of the State of New York the forty allocations discussed herein totaling 28,835 kW for Niagara Mohawk's service territory for three years, and that the following terms be incorporated into the Power Authority's contracts for Power for Jobs Service:

- **applicants to maintain a total of 10,565 jobs;**
- **such allocations shall be subject to the reduction of power and affirmative action provisions set forth in the Power Authority's standard form of contract for Power for Jobs Service.**

7. New York State Electric & Gas

The Members of the Board considered eight applications for Power for Jobs.

The following resolution was unanimously adopted by the members of the Board:

WHEREAS, the following entities in Niagara Mohawk's services territory have applied for allocations of Power for Jobs Service:

Auburn Steel, Inc.
Auburn – Cayuga County

Elrae Industries, Inc.
Alden – Erie County

Kraft Foods, Inc.
Walton - Delaware County

Lancaster Steel Service Co., Inc.
Lancaster – Erie County

McKechnie Plastic Packaging Co., Inc.
Philmont - Columbia County

PCB Piezotronics, Inc.
Depew – Erie County

Reva Plastics Corporation
Port Byron – Cayuga County

Universal Instruments Corporation
Kirkwood – Broome County

NOW THEREFORE BE IT RESOLVED, That the Board hereby finds and determines that such applications meet the requirements of the Power for Jobs legislation contained in Chapter 316 of the Laws of 1997 and Chapter 386 of the Laws of 1998 and would advance the public policy set forth in Section 189(i) of the Economic Development Law to provide effective incentives to promote economic development, maintain and develop jobs, and encourage new capital investment throughout New York State; and be it further

RESOLVED, That the Board hereby recommends to the Power Authority of the State of New York the eight allocations discussed herein totaling 9,500 kW for New York State Electric & Gas' service territory for three years, and that the following terms be incorporated into the Power Authority's contracts for Power for Jobs Service:

- **applicants to maintain a total of 2,487 jobs;**
- **such allocations shall be subject to the reduction of power and affirmative action provisions set forth in the Power Authority's standard form of contract for Power for Jobs Service.**

8. **Rochester Gas & Electric**

The Members of the Board considered two applications for Power for Jobs.

The following resolution was unanimously adopted by the members of the Board:

WHEREAS, the following entities in Niagara Mohawk's services territory have applied for allocations of Power for Jobs Service:

J.C. Plastics, Inc.
Rochester – Monroe County

Jada Precision Plastics, Inc.
Rochester – Monroe County

NOW THEREFORE BE IT RESOLVED, That the Board hereby finds and determines that such applications meet the requirements of the Power for Jobs legislation contained in Chapter 316 of the Laws of 1997 and Chapter 386 of the Laws of 1998; and be it further

RESOLVED, That the Board hereby recommends to the Power Authority of the State of New York the two allocations discussed herein totaling 575 kW for New York State Electric & Gas' service territory for three years, and that the following terms be incorporated into the Power Authority's contracts for Power for Jobs Service:

- **applicants to maintain a total of 129 jobs;**
- **such allocations shall be subject to the reduction of power and affirmative action provisions set forth in the Power Authority's standard form of contract for Power for Jobs Service.**

**9. Informational Item – Power for Jobs – Status of
Approved Applications and Summary of Action on Applications**

10. Closing Remarks of Chairman Clarence D. Rappleyea

Chairman Rappleyea underscored the good geographic balance among the applicants and the good mix among classes of recipients: 37.7 MW for 40 business allocations; 10.8 MW for six not-for-profit allocations; and 3.9 MW for 15 small business allocations. The Chairman further stressed the excellent job creation numbers over 1,500 new jobs, as well as an outstanding job/MW impact of 37,140 jobs for 52.4 MW's, and 700 jobs / MW ratio. The Chairman noted that EDPAB is also keeping pace on the 100 megawatt set-aside for not-for-profits and small business, with about 59 megawatts allocated to date.

The Chairman noted NYPA Marketing staff has handled more than 2,600 inquiries, that some 1,150 applications have been sent to prospective applicants, and that in excess of 500 applications have been submitted to the Board. With today's action, more than 310 applications have been approved since last December, 1997. Those allocations have used over 250 megawatts to save and create over 175,000 jobs. Statistically that means more than 600 jobs/MW, i.e., six times the original estimate.

The Chairman stated that the few megawatts remaining in the second phase of Year One would be closed out at the Board's next meeting in November.

11. Next Meeting

It was agreed that the next meeting of the Board would be held on November 24, 1998 at the Power Authority's New York City Office at 10:00 a.m.

Upon motion duly made and seconded, the meeting was adjourned at 11:30 a.m.