

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

March 30, 1999

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LIPA

Pure Tech Plastics
Farmingdale - Suffolk County –
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Sag Harbor Industries
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NIMO

Bernzomatic
Medina - Orleans County –
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Buffalo Wire Works
Buffalo – Erie County –
NIMO

Carville National Leather Corp.
Johnstown – Erie County –
NIMO

Codino's Italian Foods
Scotia – Schenectady County –
NIMO

Confer Plastics
North Tonawanda – Niagara County –
NIMO

Crucible Specialty Metals
Syracuse – Onondaga County –
NIMO

CWR Manufacturing (AJ Murphy)
Syracuse – Onondaga County –
NIMO

Feldmeier Equipment
Little Falls – Herkimer County –
NIMO

General Mills
Buffalo – Erie County –
NIMO

GL&V Sandy Hill
Hudson Falls – Washington County –
NIMO

Harmac Medical Products
Buffalo – Erie County –
NIMO

HFW Industries
Buffalo – Erie County –
NIMO

Leybold Inficon
E. Syracuse – Onondaga –
NIMO

Meloon Foundries
Syracuse – Onondaga County –
NIMO

Owens-Brockway Glass co.
Fulton – Oswego County –
NIMO

Pelco Electronic Components
Oneida – Madison County –
NIMO

Playtex Family Products
Watervliet – Albany County –
NIMO

Rome Specialty Company
Rome – Oneida County –
NIMO

University at Buffalo Foundation
Incubator - Amherst – Erie County –
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Universal Linen
Rome – Oneida County –
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Currier Plastics
Auburn – Cayuga County –
NYSEG

CWS – Chenango ARC
Norwich – Chenango County –
NYSEG

Dinaire LLC
Buffalo – Erie County –
NYSEG

Dovatron International
Conlin – Broome County –
NYSEG

Fisher Price
East Aurora – Erie County –
NYSEG

Hardinge, Inc.
Elmira – Chemung County –
NYSEG

Henry J. Seagroatt
Berlin – Rensselaer County –
NYSEG

Millward Alloys
Lockport – Niagara County –
NYSEG

Paul T. Freund Corp.
Palmyra – Wayne County –
NYSEG

Purolator Products
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NYSEG

Quebecor Printing Buffalo, Inc.
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NYSEG

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Associated Textile Rental Services
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CVC, Inc.
Rochester – Monroe County –
RG&E

Strong Health-Highland Hospital
Victor – Monroe County –
RG&E

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March 30, 1999

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 10:00 a.m.

The following Members of the Board were present:

1. Clarence D. Rappleyea - Chairman
2. H. Douglas Barclay
3. Joseph M. DelSindaco

Also in attendance were:

Eugene W. Zeltmann	President & Chief Operating Officer, NYPA
David E. Blabey	Executive Vice President, Secretary and General Counsel, NYPA
Louise M. Morman	Senior Vice President – Marketing & Economic Development, 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
C. John Clemente	Deputy General Counsel, 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
Linda Doherty	Manager, Inter-Governmental Relations – SENY, NYPA

Barry Weiss

Consultant – Utiliservice

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

March 30, 1999

2. Adoption of Minutes

The minutes of the meeting of February 23, 1999 were unanimously adopted by the Members of the Board present.

March 30, 1999

3. Opening Remarks of Chairman Clarence D. Rappleyea

Chairman Rappleyea welcomed the board Members to the second meeting of Year Two of the Power for Jobs program. The Chairman noted that in February, the Board had acted on allocations totaling 28 of the 133 MW available for allocation this year.

Chairman Rappleyea noted that the review process for recommendations includes participation by the 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 also noted that today's agenda includes recommendations for allocations that exceed the territorial distribution of the program's megawatts. He further noted that the Board is authorized by the "Power for Jobs" statute to consider such recommendations. Specifically, the law states that:

[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.

The Chairman further noted that in addition to the 50-plus Power for Jobs applications on the agenda, the Board has before it an application for an allocation of Economic Development Power to consider as well as several revisions and corrections regarding prior Power for Jobs allocations.

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

March 30, 1999

4. **Consolidated Edison Service Territory**

The Members of the Board considered the nine applications listed below for Power for Jobs.

The following resolution was unanimously adopted by the Members of the Board present.

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

**Automatic Data Processing – 42nd. Street
New York City – New York County –**

**Beth Israel Medical Center
New York City – New York County –**

**Dexter Chemical
Bronx - Bronx County –**

**Display Producers
Bronx - Bronx County –**

**Jacmel Jewelry
Long Island City – Queens County –**

**Krasdale Foods
White Plains – Westchester County –**

**Mary Immaculate Hospital
Jamaica – Queens County –**

**Phelps Memorial Hospital
Sleepy Hollow – Westchester County –**

**Zeluck, Inc.
Brooklyn – Kings 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 nine allocations discussed herein totaling 6,000 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 8,553 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.**

March 30, 1999

5. Long Island Power Authority Service Territory

The Members of the Board considered nine applications listed below for Power for Jobs.

The following resolution was unanimously adopted by the Members of the Board present:

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

**Aerospace Avionics
Bohemia – Suffolk County –**

**American Technical Ceramics
Huntington Station - Suffolk County –**

**Arkwin Industries
Westbury - Nassau County –**

**Consac Industries
Hauppauge - Suffolk County –**

**Deutsch Relays
East Northport - Suffolk County –**

**Micro Contacts
Hicksville – Nassau County –**

**Pure Tech Plastics
Farmingdale - Suffolk County –**

**Sag Harbor Industries
Sag Harbor - Suffolk County –**

**Tellabs Manufacturing
Hauppauge - 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 nine allocations discussed herein totaling 3,385 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 1,490 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.**

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6. Niagara Mohawk Service Territory

The Members of the Board considered twenty-three applications listed below for Power for Jobs.

The following resolution was unanimously adopted by the Members of the Board present:

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

**Anaren Microwave
E. Syracuse – Onondaga County –**

**B.G. Sulzle, Inc.
N. Syracuse - Onondaga County –**

**Bernzomatic
Medina - Orleans County –**

**Buffalo Wire Works
Buffalo – Erie County –**

**Carville National Leather Corp.
Johnstown – Erie County –**

**Codino's Italian Foods
Scotia – Schenectady County –**

**Confer Plastics
North Tonawanda – Niagara County –**

**Crucible Specialty Metals
Syracuse – Onondaga County –**

**CWR Manufacturing (AJ Murphy)
Syracuse – Onondaga County –**

**Feldmeier Equipment
Little Falls – Herkimer County –**

General Mills
Buffalo – Erie County –

GL&V Sandy Hill
Hudson Falls – Washington County –

Harmac Medical Products
Buffalo – Erie County –

HFW Industries
Buffalo – Erie County –

Leybold Inficon
E. Syracuse – Onondaga –

Meloon Foundries
Syracuse – Onondaga County –

Owens-Brockway Glass co.
Fulton – Oswego County –

Pelco Electronic Components
Oneida – Madison County –

Playtex Family Products
Watervliet – Albany County –

Rome Specialty Company
Rome – Oneida County –

University at Buffalo Foundation
Incubator - Amherst – Erie County –

Universal Linen
Rome – Oneida County –

Winfield Industries
Buffalo – Erie 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 twenty-three allocations discussed herein totaling 15,710 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 4,454 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.**

March 30, 1999

7. **New York State Electric & Gas Service Territory**

The Members of the Board considered fourteen applications listed below for Power for Jobs.

The following resolution was unanimously adopted by the Members of the Board present:

WHEREAS, the following entities in New York State Electric & Gas' services territory have applied for allocations of Power for Jobs Service:

**American Pipe & Plastics
Binghamton – Broome County –**

**Corning, Inc.
Oneonta – Otsego County –**

**Corning, Inc.
Corning – Steuben County –**

**Currier Plastics
Auburn – Cayuga County –**

**CWS – Chenango ARC
Norwich – Chenango County –**

**Dinaire LLC
Buffalo – Erie County –**

**Dovatron International
Conlin – Broome County –**

**Fisher Price
East Aurora – Erie County –**

**Hardinge, Inc.
Elmira – Chemung County –**

**Henry J. Seagroatt
Berlin – Rennselaer County –**

**Millward Alloys
Lockport – Niagara County –**

**Paul T. Freund Corp.
Palmyra – Wayne County –**

**Purolator Products
Elmira – Chemung County –**

**Quebecor Printing Buffalo, Inc.
Depew – Erie 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 fourteen allocations discussed herein totaling 12,950 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 6,048 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.**

March 30, 1999

8. Rochester Gas & Electric Service Territory

The Members of the Board considered four applications listed below for Power for Jobs.

The following resolution was unanimously adopted by the Members of the Board present:

WHEREAS, the following entity in Rochester Gas & Electric's services territory has applied for allocations of Power for Jobs Service:

**Amplaco, Inc.
Rochester – Monroe County –**

**Associated Textile Rental Services
Rochester – Monroe County –**

**CVC, Inc.
Rochester – Monroe County –**

**Strong Health-Highland Hospital
Victor – 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 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 four allocations discussed herein totaling 2,000 kW for Rochester Gas & Electric'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 2,548 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.**

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**9. Additional Allocation of Economic Development
Power – Harden Furniture Company**

Chairman Rappleyea circulated a letter to the Board Members in support of the allocation for Economic Development Power for business expansion purposes submitted on behalf of Harden Furniture Company (“Harden”) from the Oneida County Industrial Development Corporation.

Chairman Rappleyea explained that Harden is a large New York State manufacturer of home furnishings. The company’s main product line consists of high-end cherry wood furniture and associated upholstery. Harden is currently receiving 2,400 kW allocation of Economic Development Power (“EDP”) which has helped to lower Harden’s operating costs and increase its employment levels. An additional allocation of EDP will allow Harden to meet the increased demand for its existing product lines and accommodate the development of new product lines.

Staff recommended that an additional allocation of 400 kW be approved for business expansion purposes for a term ending October 31, 2007 to match the term of Harden’s previous allocation.

Following consideration of such application, the Members of the Board present voted unanimously to adopt the following resolution:

WHEREAS, Harden Furniture Company has applied for an Allocation of Economic Development Power for business expansion purposes; and

WHEREAS an additional allocation of 400 kW would result in 277 jobs committed per MW (total allocation and total jobs);

NOW THEREFORE BE IT RESOLVED, That the Board hereby finds and determines that such application meets the requirement of Section 187(c) of the Economic Development Law that it be for “new electrical demand at facilities at which new jobs are created”; and be it further

RESOLVED, That such application be, and hereby is, approved; and be it further

RESOLVED, That the Board hereby recommends to the Power Authority of the State of New York an additional allocation of 400 kW

to applicant Harden Furniture Company for a term ending October 31, 2007 and that the following terms be incorporated into the Power Authority's Economic Development Power:

- **applicant is to maintain 537 existing jobs and create 100 new jobs; and**

such allocation shall be subject to the terms and conditions set forth in the Power Authority's standard form of contract for Economic Development Power.

March 30, 1999

**10. Job Commitment Revisions and
Allocation Modification – Power for Jobs**

The Members of the Economic Development Power Allocation Board (“EDPAB”) approved job commitment revisions to the 13 companies listed in Exhibit “A” and modified the power allocation previously awarded to Montefiore Medical Center.

BACKGROUND

The companies listed in Exhibit “A” was previously approved for a Power for Jobs allocation by the EDPAB. Each of their allocations was based on their commitment to retain or create jobs as indicated in the application submitted to the EDPAB. Subsequent to EDPAB approval, but before entering into contract with the Power Authority, the companies have requested that their job commitment be revised to more accurately reflect their existing employment levels. The revisions are mainly due to confusion in accounting for part time and seasonal employees. The job number changes are insignificant in total and do not require changes to the amount of the allocation.

It is also recommended that the Members of the EDPAB approve a modification to the existing power allocation to Montefiore Medical Center. At its meeting of April 28, 1998, the EDPAB originally approved an allocation to Montefiore. Montefiore’s peak load was originally estimated at 3,300 kW and Montefiore awarded an allocation of 1,100 kW. Subsequently it was learned that information in Montefiore’s application had been misinterpreted and that its peak load is actually 8,250 kW. Based on this information Montefiore would have been awarded an allocation of 2,750 kW. Staff requests that the Board approve a modification to the initial allocation and increase Montefiore’s award by 1,650 kW. The additional allocation will be awarded for a term of three years commencing on the date service is first delivered. It should be noted that Montefiore committed 10,489 existing and 500 new jobs for the allocation. Montefiore’s revised jobs per megawatt ratio is an excellent 3,996 job.

RECOMMENDATION

It is recommended that the Board approve the revisions to the job commitments as listed in Exhibit “A” and a modification to the allocation to Montefiore Medical Center.

The following resolution was unanimously adopted by the Members of the Board present:

WHEREAS, to approve job commitment revisions to the 13 companies listed in Exhibit “A” and a modification to the power allocation previously awarded to Montefiore Medical Center, be it

RESOLVED, That the job commitment revisions for 13 companies listed in Exhibit “A” and a modification to Montefiore Medical Center’s Power for Jobs allocations are hereby revised as reflected the memorandum to the Board and in Exhibit “A”; and be it further

RESOLVED, That the Power for Jobs allocations to each of the companies listed in Exhibit “A” are otherwise unaffected by this action and that the contracts to be entered into between the companies and the Power Authority shall incorporate the revised job commitments and original Power for Jobs power allocations and the contract with Montefiore shall incorporate the revised allocation amount and the original job commitment.

March 30, 1999

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

12. Closing Remarks of Chairman Clarence D. Rappleyea

Chairman Rappleyea noted that this month's action will bring Power for Jobs over the 200,000 jobs mark which is a significant accomplishment to reach in the second month of the second year of a program. The Chairman further noted that the Board initially expected the program to total 40,000 job commitments over a full three years.

Chairman Rappleyea explained that of the allocations presented to this meeting, 32.3 MW were for 37 business allocations; 3.5 MW were for 16 small business allocations; and 4.2 MW were for 6 not-for-profit entities.

Chairman Rappleyea stated that the Board will continue to keep pace on the 100 MW set-aside for not-for-profits and small business (7.7 MW added to the 66 MW allocated to date). The Chairman noted that today's actions by the Board leave just over 26 MW remaining. Lastly, the Chairman underscored outstanding job/MW impact: 23,093 jobs for 40 MW's; 576 jobs/MW ratio, plus: more than 1,275 new jobs to date.

March 30, 1999

13. Next Meeting

It was agreed that the next meeting of the Board would be held on April 27, 1999 at 10:00 a.m.

Upon motion duly made and seconded, the meeting was adjourned at 10:30 a.m.