

**ECONOMIC DEVELOPMENT POWER
ALLOCATION BOARD**

MINUTES

**December 20, 2007
Video Conference – 10:00 a.m.**

***New York Power Authority Offices:
123 Main Street, 16th Floor, White Plains, NY
30 South Pearl Street, 10th Floor, Albany, NY
Niagara Power Project, 5777 Lewiston Road, Lewiston, NY***

1. Approval of the Minutes of the Meeting of November 27, 2007

2. Power for Jobs Extended Benefits Recommendations
for Electricity Savings Reimbursements

A. COMPANIES IN JOB COMPLIANCE

Con Edison - Service Territory

Elaine Kaufman Cultural Center
New York – New York County

Long Island Jewish Medical Center
Manhasset – Nassau County

Kingsbrook Jewish Medical Center
Brooklyn – Kings County

S. R. Guggenheim Museum
New York – New York County

Lincoln Center for the Performing Arts
New York – New York County

Long Island Power Authority - Service Territory

Good Samaritan Hospital
West Islip – Suffolk County

Standard Microsystems Corp.
Hauppauge – Suffolk County

Kozy Shack, Inc.
Hicksville - Nassau County

National Grid - Service Territory

Bank of New York
Oriskany – Oneida County

Quad Graphics, Inc.
Saratoga Springs – Saratoga County

Bison Foods – Div of Upstate Farms
Buffalo – Erie County

Queensboro Farm Products, Inc.
Canastota – Madison County

Kilian Manufacturing Corp.
Syracuse – Onondaga County

Snyder Industries, Inc.
North Tonawanda – Niagara County

Nathan Littauer Hospital & Nursing Home
Gloversville – Fulton County

Sorrento Lactalis, Inc.
Buffalo – Erie County

PCI Paper Conversions, Inc.
Syracuse – Onondaga County

Welch Allyn Data Collections, Inc.
Skaneateles Falls – Onondaga County

New York State Electric and Gas – Service Territory

Audio Sears
Stamford – Delaware County

Custom Electronics, Inc.
Oneonta - Otsego County

Corning, Inc. (Big Flats)
Big Flats – Chemung County

Soucy USA
Champlain – Clinton County

Corning, Inc. (Costar Plant)
Oneonta – Otsego County

Upstate Niagara Cooperative, Inc.
Buffalo – Erie County

Corning, Inc. (Southside)
Corning – Steuben County

Vail Ballou Press, Inc.
Binghamton – Broome County

Corning, Inc. (Sullivan Park)
Corning – Steuben County

Orange & Rockland - Service Territory

International Business Machines
Sterling Forest – Orange County

Rochester Gas & Electric – Service Territory

International Business Machines
Rochester - Monroe County

Newport Rochester
Rochester - Monroe County

3. Next Meeting

A regular meeting of the Economic Development Power Allocation Board was held via video conference at the following participating locations:

- 1) New York Power Authority, 30 South Pearl Street, Albany NY
- 2) New York Power Authority, 123 Main Street, White Plains, NY
- 3) Niagara Power Project, 5777 Lewiston Road, Lewiston, NY

The following Members of the Board were present at the following locations:

Frank S. McCullough, Jr., Chairman (White Plains, NY)
Bernard P. McGarry, Member (Albany, NY)
James A. Duncan, Member, (Lewiston, NY)

Kevin S. Corbett, Member (Excused)

Also in attendance were:

Roger B. Kelley	President and Chief Executive Office, NYPA
Thomas J. Kelly	Executive Vice President, General Counsel and Chief of Staff, NYPA
Gil C. Quiniones	Executive Vice President – Energy Marketing and Corporate Affairs, NYPA
James H. Yates	Senior Vice President, Marketing and Economic Development, NYPA
Anne B. Cahill	Corporate Secretary, NYPA
Joseph C. Carline	Assistant General Counsel, NYPA
John B. Hamor	Executive Director – State Governmental Relations, NYPA
James F. Pasquale	Director – Business Power Allocations, Compliance and Municipal and Cooperative Marketing, NYPA
Angela Graves	Deputy Corporate Secretary, NYPA
Lou Paonessa	Community Relations Manager, NYPA
Jack Murphy	Temporary Public Relations Counsel, NYPA

1. **Adoption of Minutes**

The minutes of the meeting of November 27, 2007, were unanimously adopted.

2. **Power for Jobs Program - Extended Benefits**

Chairman Frank McCullough noted that the EDPAB meeting scheduled for Tuesday, December 18th had been canceled due to technical difficulties. However, at the Power Authority Trustees' Meeting on December 18th, the Trustees approved the recommendations about to be made by Mr. James Pasquale, subject to EDPAB's positive action at this meeting on the recommendations.

SUMMARY

The Members of the Economic Development Power Allocation Board ("EDPAB") are requested to approve extended benefits for 30 Power for Jobs ("PFJ") customers as listed in Exhibit "A."

BACKGROUND

In July 1997, the New York State Legislature approved a program to provide low-cost power to businesses and not-for-profit corporations that agree to retain or create jobs in New York State. In return for commitments to create or retain jobs, successful applicants receive three-year contracts for PFJ electricity.

The PFJ program originally made 400 megawatts ("MW") of power available. The program was to be phased in over three years, with approximately 133 MW made available each year. In July 1998, as a result of the initial success of the program, the Legislature amended the PFJ statute to accelerate the distribution of the power and increase the size of the program to 450 MW.

In May 2000, legislation was enacted that authorized another 300 MW of power to be allocated under the PFJ program. Legislation further amended the program in July 2002.

Chapter 59 of the Laws of 2004 extended the benefits for PFJ customers whose contracts expired before the end of the program in 2005. Such customers had to choose to receive an "electricity savings reimbursement" rebate and/or a power contract extension. The Authority was also authorized to voluntarily fund the rebates, if deemed feasible and advisable by the Trustees.

PFJ customers whose contracts expired on or prior to November 30, 2004 were eligible for a rebate to the extent funded by the Authority from the date their contract expired through December 31, 2005.

PFJ customers whose contracts expired after November 30, 2004 were eligible for rebate or contract extension, assuming funding by the Authority, from the date their contracts expired through December 31, 2005.

Approved contract extensions entitled customers to receive the power from the Authority pursuant to a sale-for-resale agreement with the customer's local utility. Separate allocation contracts between customers and the Authority contained job commitments enforceable by the Authority.

In 2005, provisions of the approved State budget extended the period PFJ customers could receive benefits until December 31, 2006. Chapter 645 of the Laws of 2006 included provisions extending program benefits until June 30, 2007. In 2007, a new law (Chapter 89 of the Laws of 2007) included provisions extending program benefits until June 30, 2008.

At its meeting of October 18, 2005, EDPAB approved criteria under which applicants whose extended benefits EDPAB had reduced for non-compliance with their job commitments could apply to have their PFJ benefits reinstated in whole or in part. EDPAB authorized staff to create a short-form application, notify customers of the process, send customers the application and evaluate reconsideration requests based on the approved criteria.

DISCUSSION

EDPAB is requested to recommend that the Authority Trustees approve electricity savings reimbursement rebates to the 30 PFJ customers, all of which are meeting their current job commitment and are listed in Exhibit "A". Collectively, these organizations have agreed to retain more than 27,000 jobs in New York State in exchange for rebates. The rebate program will be in effect until June 30, 2008, the programs' sunset.

RECOMMENDATION

It is requested that the Economic Development Power Allocation Board recommend that the Authority Trustees approve the payment of electricity savings reimbursements to the 30 business listed in Exhibit "A".

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

WHEREAS, the following entities have applied for extended benefits recommendations for electricity savings reimbursements under the Power for Jobs program:

COMPANIES IN JOB COMPLIANCE

Con Edison - Service Territory

Elaine Kaufman Cultural Center
New York – New York County

Kingsbrook Jewish Medical Center
Brooklyn – Kings County

Lincoln Center for the Performing Arts
New York – New York County

Long Island Jewish Medical Center
Manhasset – Nassau County

S. R. Guggenheim Museum
New York – New York County

Long Island Power Authority - Service Territory

Good Samaritan Hospital
West Islip – Suffolk County

Kozy Shack, Inc.
Hicksville - Nassau County

Standard Microsystems Corp.
Hauppauge – Suffolk County

National Grid - Service Territory

Bank of New York
Oriskany – Oneida County

Bison Foods – Div of Upstate Farms
Buffalo – Erie County

Kilan Manufacturing Corp.
Syracuse – Onondaga County

Nathan Littauer Hospital & Nursing Home
Gloversville – Fulton County

PCI Paper Conversions, Inc.
Syracuse – Onondaga County

Quad Graphics, Inc.
Saratoga Springs – Saratoga County

Queensboro Farm Products, Inc.
Canastota – Madison County

Snyder Industries, Inc.
North Tonawanda – Niagara County

Sorrento Lactalis, Inc.
Buffalo – Erie County

Welch Allyn Data Collections, Inc.
Skaneateles Falls – Onondaga County

New York State Electric and Gas – Service Territory

**Audio Sears
Stamford – Delaware County**

**Custom Electronics, Inc.
Oneonta - Otsego County**

**Corning, Inc. (Big Flats)
Big Flats – Chemung County**

**Soucy USA
Champlain – Clinton County**

**Corning, Inc. (Costar Plant)
Oneonta – Otsego County**

**Upstate Niagara Cooperative, Inc.
Buffalo – Erie County**

**Corning, Inc. (Southside)
Corning – Steuben County**

**Vail Ballou Press, Inc.
Binghamton – Broome County**

**Corning, Inc. (Sullivan Park)
Corning – Steuben County**

Orange & Rockland - Service Territory

**International Business Machines
Sterling Forest – Orange County**

Rochester Gas & Electric – Service Territory

**International Business Machines – Rochester
Rochester - Monroe County**

**Newport Rochester
Rochester - Monroe County**

NOW THEREFORE BE IT RESOLVED, That the Board hereby finds and determines that such applications meet the requirements of the extended benefits provisions of the Power for Jobs legislation contained in Article 6 of the Economic Development Law as amended by Chapter 645 of the Laws of 2006; and be it further

RESOLVED, That the Board recommends to the Power Authority of the State of New York the 30 applications for extended benefits recommendations for electricity savings reimbursements discussed herein totaling 31,215 kW until June 30, 2008.

**Economic Development Power Allocation Board
Power for Jobs - Extended Benefits
Recommendation for Electricity Savings Reimbursements**

Line	Company	City	County	IOU	KW	Job Committed	Jobs in	Over (under)	% Over (under)	Compliance	Recommended Allocation		Type	Service
							Application				KW	Jobs/MW		
1	Elaine Kaufman Cultural Center	New York	New York	Con Ed	60	73	70	-3	-4%	Yes	60	1,167	NFP	Multi-arts center
2	Kingsbrook Jewish Medical Center	Brooklyn	Kings	Con Ed	1,200	2,403	2,325	-78	-3%	Yes	1,200	1,938	NFP	Medical and Research Institution
3	Lincoln Center for the Performing Arts	New York	New York	Con Ed	3,000	3,763	3,763	0	0%	Yes	3,000	1,254	NFP	Performing Arts Center
4	Long Island Jewish Medical Center	Manhasset	Nassau	Con Ed	2,000	6,143	6,958	815	13%	Yes	2,000	3,479	NFP	Healthcare Center
5	S. R. Guggenheim Museum	New York	New York	Con Ed	475	380	390	10	3%	Yes	475	821	NFP	Art Museum
	Total Con Ed		Subtotal	5	6,735	12,762	13,506				6,735			
6	Good Samaritan Hospital	West Islip	Suffolk	LIPA	800	2,805	3,088	283	10%	Yes	800	3,860	NFP	Healthcare Center
7	Kozy Shack, Inc.	Hicksville	Nassau	LIPA	1,000	265	251	-14	-5%	Yes	1,000	251	Large	Mfr. of puddings & snacks
8	Standard Microsystems Corp.	Hauppauge	Suffolk	LIPA	1,050	401	403	2	0%	Yes	1,050	384	Large	Maker and supplier of computer circuits
	Total LIPA		Subtotal	3	2,850	3,471	3,742				2,850			
9	Bank of New York	Oriskany	Oneida	N. Grid	500	759	791	32	4%	Yes	500	1,582	Large	Banking Services
10	Bison Foods - Div. of Upstate Farms	Buffalo	Erie	N. Grid	500	134	136	2	1%	Yes	500	272	Large	Dairy Products
11	Kilian Manufacturing Corporation	Syracuse	Onondaga	N. Grid	400	166	154	-12	-7%	Yes	400	385	Large	Mfr. ball bearings
12	Nathan Littauer Hospital & Nursing Home	Gloversville	Fulton	N. Grid	400	675	682	7	1%	Yes	400	1,705	NFP	Hospital and Nursing Home
13	PCI Paper Conversions, Inc.	Syracuse	Onondaga	N. Grid	400	235	223	-12	-5%	Yes	400	558	Large	Printed materials & adhesive manufacturing
14	Quad Graphics, Inc.	Saratoga Springs	Saratoga	N. Grid	4,000	958	1,068	110	11%	Yes	4,000	267	Large	Printing services
15	Queensboro Farm Products, Inc.	Canastota	Madison	N. Grid	500	79	81	2	3%	Yes	500	162	Large	Milk manufacturing and processing plant
16	Snyder Industries, Inc.	N. Tonawanda	Niagara	N. Grid	350	110	98	-12	-11%	Yes	350	280	Small	Machinery
17	Sorrento Lactalis, Inc.	Buffalo	Erie	N. Grid	1,500	364	496	132	36%	Yes	1,500	331	Large	Produces cheese as well as whey products
18	Welch Allyn Data Collection Inc.	Skaneateles Falls	Onondaga	N. Grid	2,000	1,275	1,302	27	2%	Yes	2,000	651	Large	Medical and dental diagnostic equipment
	Total National Grid		Subtotal	10	10,550	4,755	5,031				10,550			
19	Audio Sears	Stamford	Delaware	NYSEG	190	85	89	4	5%	Yes	190	468	Small	Makes audio equipment
20	Corning, Inc. (Big Flats)	Big Flats	Chemung	NYSEG	500	131	117	-14	-11%	Yes	500	234	Large	Manufacturer of optical fiber products
21	Corning, Inc. (Costar Plant)	Oneonta	Otsego	NYSEG	900	181	172	-9	-5%	Yes	900	191	Large	Manufacturer of optical fiber products
22	Corning, Inc. (Southside)	Corning	Steuben	NYSEG	1,500	798	882	84	11%	Yes	1,500	588	Large	Manufacturer of optical fiber products
23	Corning, Inc. (Sullivan Park)	Corning	Steuben	NYSEG	3,000	1448	1,495	47	3%	Yes	3,000	498	Large	Manufacturer of optical fiber products
24	Custom Electronics, Inc.	Oneonta	Otsego	NYSEG	150	55	62	7	13%	Yes	150	413	Small	Electronic components and assemblies
25	Soucy USA	Champlain	Clinton	NYSEG	400	183	201	18	10%	Yes	400	503	Large	Storage & Warehouse facility
26	Upstate Niagara Cooperative, Inc	Buffalo	Erie	NYSEG	600	150	154	4	3%	Yes	600	257	Large	Processes milk
27	Vail Ballou Press, Inc.	Binghamton	Broome	NYSEG	1,800	412	408	-4	-1%	Yes	1,800	227	Large	Book printer and distributor
	Total NYSEG		Subtotal	9	9,040	3,443	3,580				9,040			
28	International Business Machines - Sterling Forest	Poughkeepsie,	Orange	O&R	700	558	523	-35	-6%	Yes	700	747	Large	Computer Manufacturer
	Total O&R		Subtotal	1	700	558	523				700			
29	International Business Machines - Rochester	Rochester	Monroe	RGE	1,150	613	583	-30	-5%	Yes	1,150	507	Large	Computer Manufacturer
30	Newport Rochester	Rochester	Monroe	RGE	190	42	44	2	5%	Yes	190	232	Large	Mfg. spectrophotometers
	Total RG&E		Subtotal	2	1,340	655	627				1,340			

Total	30	31,215	25,644	27,009
--------------	-----------	---------------	---------------	---------------

31,215	865
---------------	------------

3. Next Meeting

The next meeting of the Board is to be determined.