

**ECONOMIC DEVELOPMENT POWER
ALLOCATION BOARD**

MINUTES

**February 26, 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

Fort Myers Interactive Video, 1408 Bayview Ct., Fort Myers, FL

DMJM Harris, 605 Third Avenue, New York, NY

1. Approval of the Minutes of the Meeting of January 30, 2007

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

A. COMPANIES IN JOB COMPLIANCE

Con Edison - Service Territory

Beth Israel Medical Center
New York - New York County

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

Charmer Industries, Inc.
Astoria – Queens County

New York Presbyterian Hospital
New York - New York County

Long Island Power Authority - Service Territory

Bruce's Bakery
Great Neck – Nassau County

Madelaine Chocolates
Rockaway Beach – Queens County

Good Samaritan Hospital
West Islip – Suffolk County

Silver Lake Cookie Co.
Islip – Suffolk County

IWCO Direct (Fala Direct)
Melville – Suffolk County

National Grid - Service Territory

Bristol-Myers Squibb Company
East Syracuse - Onondaga County

Queensboro Farm Products, Inc. – Canastota
Canastota – Madison County

Edward John Noble Hospital
Gouverneur – St. Lawrence County

Revere Copper Products
Rome – Oneida County

Fiber Glass Industries Inc.
Amsterdam – Montgomery County

Robison & Smith, Inc.
Gloversville – Fulton County

Lewis County General Hospital
Lowville – Lewis County

Sorrento Lactalis, Inc.
Buffalo – Erie County

Mohawk Paper Mills
Cohoes – Albany County

St. Joseph's Hospital Health Center
Syracuse – Onondaga County

Nathan Littauer Hospital & Nursing Home
Gloversville – Fulton County

Welch Allyn Data Collections Inc.
Skaneateles Falls – Onondaga County

Organichem, Inc.
Rensselaer – Rensselaer County

New York State Electric and Gas – Service Territory

Agri-Mark, Inc.
Chateaugay – Franklin County

B. COMPANIES NOT IN JOB COMPLIANCE

National Grid - Service Territory

Dielectric Laboratories, Inc.
Cazenovia - Madison County

Quad Graphic, Inc.
Saratoga Springs – Saratoga County

Fitzpatrick & Weller, Inc.
Ellicoltville – Cattaraugus County

Standard Manufacturing Co., Inc.
Troy – Rensselaer County

Kilian Manufacturing Corporation
Syracuse – Onondaga County

Syracuse China Company
Syracuse – Onondaga County

Oldcastle Precast Inc. (Spancrete Northeast)
South Bethlehem – Albany County

New York State Electric and Gas – Service Territory

A.T. Reynolds & Sons, Inc.
Kiamesha Lake – Sullivan County

3. Transfers of Industrial Power

CoolBrands Dairy, Inc
North Lawrence – St. Lawrence County

Photocircuits Corp.
Glen Cove – Nassau County

International Business Machines Corporation
White Plains – Westchester County

Universal Linen Service Co. Inc
Rome – Oneida County

OTHER BUSINESS

4. 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) Fort Myers Interactive Video, 1408 Bayview Ct., Fort Myers, FL
- 4) DMJM Harris, 605 Third Avenue, New York, 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, (Fort Myers, FL)
Kevin S. Corbett, Member (New York, NY)

Also in attendance were:

Thomas J. Kelly	Executive Vice President and General Counsel, NYPA
Louise M. Morman	Senior Vice President – Marketing and Economic Development, NYPA
Anne B. Cahill	Corporate Secretary, NYPA
Dennis T. Eccleston	Chief Information Officer, NYPA
Angela D. Graves	Deputy Corporate Secretary, NYPA
James F. Pasquale	Director – Business Power Allocations, Compliance & Municipal Cooperative Marketing, NYPA
Michael A. Saltzman	Director – Media Relations, NYPA
Anthony C. Savino	Manager – Business Power Allocations and Compliance, NYPA
Joanne Willmott	Manager – Community Relations, NYPA
Niko P. Ladopoulos	Legislative Liaison, NYPA
Mary Jean Frank	Associate Secretary, NYPA
Jack Murphy	Temporary PR Counsel, NYPA
Michael J. Santarcangelo	Director – Energy Policy, Empire State Development Corporation

1. **Adoption of Minutes**

The minutes of the meeting of January 30, 2007, were unanimously adopted.

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

The members of the Board reconsidered the 31 applications for extended benefits recommendations for electricity savings reimbursements listed below for Power for Jobs. Mr. Pasquale explained that some 32,850 jobs would be impacted. See Exhibits “2-A” and “2-B.”

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

Beth Israel Medical Center
New York - New York County

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

Charmer Industries, Inc.
Astoria – Queens County

New York Presbyterian Hospital
New York - New York County

Long Island Power Authority - Service Territory

Bruce’s Bakery
Great Neck – Nassau County

Madelaine Chocolates
Rockaway Beach – Queens County

Good Samaritan Hospital
West Islip – Suffolk County

Silver Lake Cookie Co.
Islip – Suffolk County

IWCO Direct (Fala Direct)
Melville – Suffolk County

National Grid – Service Territory

Bristol-Myers Squibb Company
East Syracuse - Onondaga County

Queensboro Farm Products, Inc. – Canastota
Canastota – Madison County

Edward John Noble Hospital
Gouverneur – St. Lawrence County

Revere Copper Products
Rome – Oneida County

Fiber Glass Industries Inc.
Amsterdam – Montgomery County

Robison & Smith, Inc.
Gloversville – Fulton County

Lewis County General Hospital
Lowville – Lewis County

Sorrento Lactalis, Inc.
Buffalo – Erie County

Mohawk Paper Mills
Cohoes – Albany County

St. Joseph’s Hospital Health Center
Syracuse – Onondaga County

Nathan Littauer Hospital & Nursing Home
Gloversville – Fulton County

Welch Allyn Data Collections Inc.
Skaneateles Falls – Onondaga County

Organichem, Inc.
Rensselaer – Rensselaer County

New York State Electric and Gas – Service Territory

Agri-Mark, Inc.
Chateaugay – Franklin County

COMPANIES NOT IN JOB COMPLIANCE

National Grid – Service Territory

Dielectric Laboratories, Inc.
Cazenovia - Madison County

Fitzpatrick & Weller, Inc.
Ellicoltville – Cattaraugus County

Kilian Manufacturing Corporation
Syracuse – Onondaga County

Oldcastle Precast Inc. (Spancrete Northeast)
South Bethlehem – Albany County

Quad Graphic, Inc.
Saratoga Springs – Saratoga County

Standard Manufacturing Co., Inc.
Troy – Rensselaer County

Syracuse China Company
Syracuse – Onondaga County

New York State Electric and Gas – Service Territory

A.T. Reynolds & Sons, Inc.
Kiamesha Lake – Sullivan 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 31 applications for extended benefits recommendations for electricity savings reimbursements discussed herein totaling 40,143 kW until June 30, 2007.

Economic Development Power Allocation Board
 Power for Jobs Extended Benefits
 Recommendation for Electricity Savings Reimbursements
 Companies in Job Compliance

Exhibit "2-A"
 February 26, 2007

Line	Company	City	County	IOU	KW	Job Committed	Jobs in Application			Compliance	Recommended			Service
							Over (under)	% Over (under)			KW	Jobs/MW	Type	
1	Beth Israel Medical Center	New York	New York	Con Ed	3,800	4800	6,634	1,834	38%	Yes	3,800	1,746	NFP	Health Care Center
2	Charmer Industries, Inc.	Astoria	Queens	Con Ed	750	732	810	78	11%	Yes	750	1,080	Large	Distributors of wines and spirits
3	Lincoln Center for the Performing Arts	New York	New York	Con Ed	3,000	2,312	2,328	16	1%	Yes	3,000	776	NFP	Performing Arts Center
4	New York Presbyterian Hospital	New York	New York	Con Ed	<u>5,000</u>	<u>6,958</u>	<u>7,765</u>	807	12%	Yes	<u>5,000</u>	1,553	NFP	Medical care
	Total Con Ed		Subtotal	4	12,550	14,802	17,537				12,550			
5	Bruce's Bakery	Great Neck	Nassau	LIPA	75	54	56	2	4%	Yes	75	747	Small	Manufact. & distributor of baked goods
6	Good Samaritan Hospital	West Islip	Suffolk	LIPA	800	2,651	2,914	263	10%	Yes	800	3,642	NFP	Healthcare Center
7	IWCO Direct (Fala Direct)	Melville	Suffolk	LIPA	1,500	554	499	-55	-10%	Yes	1,500	333	Large	Direct-mail services
8	Madelaine Chocolates	Rockaway Beach	Queens	LIPA	575	500	535	35	7%	Yes	575	930	Large	Manufactures chocolate
9	Silver Lake Cookie Co.	Islip	Suffolk	LIPA	<u>400</u>	<u>247</u>	<u>293</u>	46	19%	Yes	<u>400</u>	733	Large	Manufacturer of specialty cookies
	Total LIPA		Subtotal	5	3,350	4,006	4,297				3,350			
10	Bristol-Myers Squibb Company	East Syracuse	Onondaga	N. Grid	5,000	936	1,069	133	14%	Yes	5,000	214	Large	Manufacturer of bulk antibiotics
11	Edward John Noble Hospital	Gouverneur	St. Lawrence	N. Grid	100	252	258	6	2%	Yes	100	2,580	NFP	Healthcare center
12	Fiber Glass Industries Inc.	Amsterdam	Montgomery	N. Grid	700	142	137	-5	-4%	Yes	700	196	Large	Produces high strength woven fabrics
13	Lewis County General Hospital	Lowville	Lewis	N. Grid	200	382	389	7	2%	Yes	200	1,945	NFP	Medical Center
14	Mohawk Paper Mills	Cohoes	Albany	N. Grid	2,250	389	426	37	10%	Yes	2,250	189	Large	Manufacturer of text and cover papers
15	Nathan Littauer Hospital & Nursing Home	Gloversville	Fulton	N. Grid	400	662	677	15	2%	Yes	400	1,693	NFP	Hospital and Nursing Home
16	Organichem, Inc.	Rensselaer	Rensselaer	N. Grid	1,000	183	330	147	80%	Yes	1,000	330	Large	Manufacturing pharmaceutical ingredients
17	Queensboro Farm Products, Inc. - Cana	Canastota	Madison	N. Grid	500	79	81	2	3%	Yes	500	162	Large	Milk manufacturing and processing plant
18	Revere Copper Products	Rome	Oneida	N. Grid	2,000	452	425	-27	-6%	Yes	2,000	213	Large	Copper & brass products
19	Robison & Smith, Inc.	Gloversville	Fulton	N. Grid	384	176	190	14	8%	Yes	384	495	Small	Linen & Laundry Supply
20	Sorrento Lactalis, Inc.	Buffalo	Erie	N. Grid	1,500	358	464	106	30%	Yes	1,500	309	Large	Produces cheese as well as whey products
21	St. Joseph's Hospital Health Center	Syracuse	Onondaga	N. Grid	1,000	2,997	3,071	74	2%	Yes	1,000	3,071	NFP	Healthcare Center
22	Welch Allyn Data Collection Inc.	Skaneateles Falls	Onondaga	N. Grid	<u>2,000</u>	<u>1,294</u>	<u>1,257</u>	-37	-3%	Yes	<u>2,000</u>	629	Large	Medical and dental diagnostic equipment
	Total National Grid		Subtotal	13	17,034	8,302	8,774				17,034			
23	Agri-Mark, Inc	Chateaugay	Franklin	NYSEG	<u>500</u>	<u>106</u>	<u>116</u>	10	9%	Yes	<u>500</u>	232	Large	Cheese Manufacturer
	Total NYSEG		1	500	106	116					500			

Total	23	33,434	27,216	30,724
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33,434	919
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Economic Development Power Allocation Board
 Power for Jobs Extended Benefits
 Recommendation for Electricity Savings Reimbursements
 Companies Not in Job Compliance

Exhibit "2-B"
 February 26, 2007

Line	Company	City	County	IOU	KW	Job Committed	Jobs in Application	Over (under)	% Over (under)	Compliance	Recommended		Type	Service
											KW	Jobs/MW		
1	Dielectric Laboratories, Inc.	Cazenovia	Madison	N. Grid	400	248	174	-74	-30%	No	400	435	Large	Ceramic capacitors
2	Fitzpatrick & Weller, Inc.	Ellicottville	Cattaraugus	N. Grid	1,000	230	107	-123	-53%	No	1,000	107	Large	Lumber & wood components
3	Kilian Manufacturing Corporation	Syracuse	Onondaga	N. Grid	400	345	214	-131	-38%	No	400	535	Large	Mfr. ball bearings
4	Oldcastle Precast Inc (Spancrete Northeast)	South Bethlehem	Albany	N. Grid	350	113	53	-60	-53%	No	160	331	Small	Precast products and installation
5	Quad Graphics, Inc.	Saratoga Springs	Saratoga	N. Grid	4,000	1,420	1,118	-302	-21%	No	4,000	280	Large	Printing services
6	Standard Manufacturing Co., Inc.	Troy	Rensselaer	N. Grid	160	152	30	-122	-80%	No	30	1,000	Small	Apparel
7	Syracuse China Company	Syracuse	Onondaga	N. Grid	500	434	371	-63	-15%	No	460	807	Large	Manufactures restaurant china
Total National Grid			Subtotal	7	6,810	2,942	2,067				6,450			
8	A. T. Reynolds & Sons, Inc.	Kiamesha Lake	Sullivan	NYSEG	500	116	59	-57	-49%	No	250	236	Small	Spring water and Ice Mfr.
Total NYSEG			1	500	116	59					250			

Total	8	7,310	3,058	2,126
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6,700	317
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Note: Some of the companies listed above have had part or all of their allocation restored though the reconsideration process.

3. Transfers of Industrial Power

SUMMARY

The members of the Economic Development Power Allocation Board (“Power Allocation Board”) are requested to recommend approval to the companies as detailed below.

BACKGROUND

The Power Allocation Board is requested to approve the transfer of power allocations for four existing companies that have changed names and/or locations for various business reasons. The Power Allocation Board has approved transfers of this nature at past meetings.

DISCUSSION

The proposed transferees are as follows:

CoolBrands Dairy, Inc. (“CoolBrands”), located in North Lawrence and in business since the early 1900s under various owners, produces cultured dairy products, cottage cheese and flavored yogurts. The Power Allocation Board approved a 1,000 kW Power for Jobs allocation with 140 jobs in September 1998 to Kraft Foods. In June 2005, the Power Allocation Board approved a transfer of the allocation to CoolBrands, based on the purchase of assets and liabilities associated with the North Lawrence site in March 2005. CoolBrands agreed to honor all contract terms and conditions of the allocation agreement and continue manufacturing similar products. Recently, CoolBrands completed the sale of its assets and liabilities to North Lawrence Dairy, Inc., a subsidiary of Breyers Yogurt Company. The company will remain named North Lawrence Dairy, Inc. The company agrees to comply with all obligations to the Authority associated with its allocation and will continue to manufacture the same or similar products in the same facility.

International Business Machines Corporation (“IBM”), located in White Plains, which provides advanced information services, products and technologies, uses the 1133 Westchester Avenue location as a sales and distribution support center for North America. IBM was awarded a 4.4 MW PFJ allocation for 1,884 jobs by the Trustees at their meeting on January 27, 1998. The company applied for an electricity savings reimbursement for this allocation, which the Trustees approved at their meeting on July 26, 2005, and have continued to approve since then. IBM wishes to reallocate the 4.4 MW, as it has transferred almost all of the jobs from the current location to three other locations: North Castle (2.4 MW), Corporate Headquarters (1.9 MW) and the IBM Learning Facility (100 kW). IBM agrees to comply with its obligations to the Authority associated with this electricity savings reimbursement.

Photocircuits Corp. (“Photocircuits”), located in Glen Cove and in business since 1986, is the largest manufacturer on Long Island and one of the largest independent printed circuit board manufacturers with primary production still in the U. S. The Trustees approved a 4,000 kW PFJ allocation in return for 2,028 jobs at their meeting on March 31, 1998, and further extended the contract in 2001. Photocircuits had all of its assets acquired through bankruptcy by the American Pacific Financial Corporation (“AMPAC”) on March 28, 2006. The new company will continue to use the Photocircuits name and remain at the same location. The company chose the electricity savings reimbursement option for receiving PFJ extended benefits. Photocircuits was below its job commitment in the application for PFJ extended benefits and had its allocation eligible for rebate reduced, as per the 2005 PFJ legislation, to 2,800 kW, but the company petitioned for full reinstatement to 4,000 kW with 983 jobs, which was approved by the Trustees at their meeting on March 28, 2006. The company will honor all commitments to the Authority associated with its PFJ allocation.

Universal Linen Service Co., Inc. (“Universal”), located in Rome and in business since 1972, provides commercial laundry services to the healthcare, hotel and restaurant industries. The Trustees approved a 175 kW PFJ allocation for 71 jobs at their meeting on March 30, 1999. Universal was ineligible for an extension or reimbursement after its contract expired in March 2004 due to it being more than 10% below its employment commitment, as provided for in the 2005 legislation. However, Universal became eligible for a reduced allocation for 2006 and was approved for 150 kW for 63 jobs by the Trustees at their meeting on September 20, 2005.

Universal was approved for 2007 extended benefits by the Trustees at their meeting on November 28, 2006, for 150 kW for 30 jobs. R & S Textile Services, Inc. purchased all of Universal's land, buildings and equipment on July 1, 2006. The company agrees to honor all terms of the agreement with the Authority and will be named **R & S Textile Services, Inc.**

RECOMMENDATION

It is recommended that the Power Allocation Board approve the name and or location changes detailed above.

Mr. Pasquale presented the highlights of staff's recommendations to the Board. In response to a question from Mr. Duncan, Mr. Pasquale said that the three facilities to which IBM wanted to transfer its Power for Jobs allocation were all located in Armonk, Westchester County.

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

RESOLVED, That the members of the Economic Development Power Allocation Board hereby approve the transfer of power allocations for four existing companies that have changed names and/or locations for various business reasons as described in the above memorandum to the Board.

4. **Next Meeting**

The next meeting of the Board is to be determined.