

**ECONOMIC DEVELOPMENT POWER
ALLOCATION BOARD**

MINUTES

March 18, 2008

Video Conference – 11:00 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***

1. Approval of the Minutes of the Meeting of February 25, 2008

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

A. COMPANIES IN JOB COMPLIANCE

Con Edison - Service Territory

AT&T
White Plains – Westchester County

Greater Jamaica Development Corp.
Jamaica – Queens County

Beth Israel Medical Center
New York – New York County

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

Long Island Power Authority - Service Territory

Ametek Hughes-Treitler
Garden City – Nassau County

John Hassall, Inc.
Westbury – Nassau County

Good Samaritan Hospital
West Islip – Suffolk County

National Grid - Service Territory

Clarkson University
Potsdam – St. Lawrence County

Fiber Glass Industries, Inc.
Amsterdam – Montgomery County

Cooper Hand Tools
Cortland – Cortland County

Intertek Testing Services
Cortland – Cortland County

CWM Chemical Services, LLC
Model City – Niagara County

Robison & Smith, Inc
Gloversville – Fulton County

Edward John Noble Hospital
Gouverneur – St. Lawrence County

New York State Electric and Gas – Service Territory

Audio Sears Stamford – Delaware County	Corning, Inc. (Sullivan Park) Corning – Steuben County
Corning, Inc. (Big Flats) Big Flats – Chemung County	Seneca Foods Corporation Geneva – Ontario County
Corning, Inc. (Northside) Corning – Steuben County	Vail Ballou Press, Inc Binghamton – Broome County

Orange and Rockland - Service Territory

International Business Machines
Sterling Forest - Orange County

Rochester Gas and Electric - Service Territory

International Business Machines
Rochester - Monroe County

B. COMPANIES NOT IN JOB COMPLIANCE

National Grid - Service Territory - Service Territory

RSA Solutions, Inc.
Amherst – Erie County

C. Power for Jobs Extended Benefits Reconsideration

Electricity Savings Reimbursements
New York University – New York County
Organichem – Rensselaer County
Thirteen WNET – New York 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) Fort Myers Interactive Video, 1408 Bayview Ct., Fort Myers, FL

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

Daniel C. Gundersen, Chairman (Albany, NY)
Frank S. McCullough, Jr., Member (White Plains, NY)
Bernard P. McGarry, Member (Albany, NY)
James A. Duncan, Member, (Fort Myers, FL)

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
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
Michael A. Saltzman	Director – Media Relations, NYPA
Anthony C. Savino	Manager – Business Power Allocations and Compliance, NYPA
Mary Jean Frank	Associate Corporate Secretary, NYPA
Lorna M. Johnson	Assistant Corporate Secretary, NYPA
Kristen Mucitelli-Heath	Special Advisor to Commissioner, ESDC
Keith Corneau	Energy Policy, ESDC

March 18, 2008

1. **Adoption of Minutes**

The minutes of the meeting of February 25, 2008, were unanimously adopted.

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

SUMMARY

The Members of the Economic Development Power Allocation Board (“EDPAB”) are requested to approve extended benefits for 23 Power for Jobs (“PFJ”) customers as listed in Exhibit “A.” and “B”. In addition, the EDPAB is requested to approve modifications to the benefits for three customers that have applied to have their PFJ benefits reinstated after having been reduced by EDPAB for non-compliance with their job commitments as detailed in Exhibit “C.”

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. 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. The three customers listed on Exhibit “C” have applied for reconsideration.

DISCUSSION

EDPAB is requested to recommend that the Authority Trustees approve electricity savings reimbursement rebates to the 23 PFJ customers, 22 of which are meeting their current job commitment and are listed in Exhibit “A”. However, one customer reported actual job numbers below their contractual commitment we are recommending that this customer have its allocation reduced proportionately to their job shortfall where appropriate. This customer is

listed in Exhibit "B". Collectively, these organizations have agreed to retain more than 20,000 jobs in New York State in exchange for rebates. The rebate program will be in effect until June 30, 2008, the programs' sunset.

EDPAB is also requested to recommend that the Authority Trustees approve modifications to the benefits for three customers listed in Exhibit "C" that have applied to have their PFJ benefits reinstated after they were reduced by EDPAB for non-compliance with their job commitments.

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 23 business listed in Exhibits "A" and "B".

It is requested that the Economic Development Power Allocation Board recommend that the Authority Trustees approve modifications to the benefits for three customers listed in Exhibit "C".

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:

A. COMPANIES IN JOB COMPLIANCE

Con Edison - Service Territory

AT&T White Plains – Westchester County	Greater Jamaica Development Corp Jamaica – Queens County
Beth Israel Medical Center New York – New York County	Lincoln Center for the Performing Arts New York – New York County

Long Island Power Authority - Service Territory

Ametek Hughes-Treitler Garden City – Nassau County	John Hassall, Inc Westbury – Nassau County
Good Samaritan Hospital West Islip – Suffolk County	

National Grid - Service Territory

Clarkson University Potsdam – St. Lawrence County	Fiber Glass industries, Inc Amsterdam – Montgomery County
Cooper Hand Tools Cortland – Cortland County	Intertek Testing Services Cortland – Cortland County
CWM Chemical Services, LLC Model City – Niagara County	Robison & Smith, Inc Gloversville – Fulton County
Edwards John Noble Hospital Gouverneur – St. Lawrence County	

New York State Electric and Gas – Service Territory

Audio Sears Stamford – Delaware County	Corning, Inc. (Sullivan Park) Corning – Steuben County
Corning, Inc. (Big Flats) Big Flats – Chemung County	Seneca Foods Corporation Geneva – Ontario County
Corning, Inc. (Northside) Corning – Steuben County	Vail Ballou Press, Inc Binghamton – Broome County

Orange and Rockland - Service Territory

International Business Machines
Sterling Forest - Orange County

Rochester Gas and Electric - Service Territory

International Business Machines
Rochester - Monroe County

B. COMPANIES NOT IN JOB COMPLIANCE

National Grid - Service Territory - Service Territory

RSA Solutions, Inc
Amherst – Erie County

C. POWER FOR JOBS EXTENDED BENEFITS RECONSIDERATION

Electricity Savings Reimbursements

New York University – New York County
Organichem – Rensselaer County
Thirteen WNET – New York 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 23 applications for extended benefits recommendations for electricity savings reimbursements discussed herein totaling 25,314 kW until June 30, 2008, and approve modifications to the benefits for three customers.

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

Exhibit "A"
 March 18, 2008

Line	Company	City	County	IOU	KW	Job Committed	Jobs in Application	Over/ (Under)	% Over (Under)	Compliance	Recommended Allocation		Type	Service
											KW	Job/Mw		
1	AT&T	White Plains	Westchester	Con Ed	560	335	535	200	60%	Yes	560	955	Large	Telecommunications
2	Beth Israel Medical Center	New York	New York	Con Ed	3,800	6634	6,634	0	0%	Yes	3,800	1,746	NFP	Health Care Center
3	Greater Jamaica Development Corp.	Jamaica	Queens	Con Ed	375	139	151	12	9%	Yes	375	403	NFP	Urban & Community Development
4	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
	Total Con Ed		Subtotal	4	7,735	10,871	11,083				7,735			
5	Ametek Hughes-Treitler	Garden City	Nassau	LIPA	500	183	172	-11	-6%	Yes	500	344	Large	Manufacturer of heat exchangers
6	Good Samaritan Hospital	West Islip	Suffolk	LIPA	800	2,805	3,088	283	10%	Yes	800	3,860	NFP	Healthcare Center
7	John Hassall, Inc.	Westbury	Nassau	LIPA	450	116	113	-3	-3%	Yes	450	251	Large	Manufacturer of specialty metal fasteners
	Total LIPA		Subtotal	3	1,750	3,104	3,373				1,750			
8	Clarkson University	Potsdam	St. Lawrence	N. Grid	1,500	665	664	-1	0%	Yes	1,500	443	NFP	Higher education
9	Cooper Hand Tools	Cortland	Cortland	N. Grid	1,330	123	123	0	0%	Yes	1,330	92	Large	Metal machining and casting
10	CWM Chemical Services, LLC	Model City	Niagara	N. Grid	330	80	78	-2	-3%	Yes	330	236	Small	Treatment, storage/disposal Industrial Waste
11	Edward John Noble Hospital	Gouverneur	St. Lawrence	N. Grid	100	247	241	-6	-2%	Yes	100	2,410	NFP	Healthcare center
12	Fiber Glass Industries Inc.	Amsterdam	Montgomery	N. Grid	700	139	138	-1	-1%	Yes	700	197	Large	Produces high strength woven fabrics
13	Intertek Testing Services	Cortland	Cortland	N. Grid	600	303	306	3	1%	Yes	600	510	Large	Independent test lab
14	Robison & Smith, Inc.	Gloversville	Fulton	N. Grid	384	193	200	7	4%	Yes	384	521	Small	Linen & Laundry Supply
	Total National Grid		Subtotal	7	4,944	1,750	1,750				4,944			
15	Audio Sears	Stamford	Delaware	NYSEG	190	85	89	4	5%	Yes	190	468	Small	Makes audio equipment
16	Coming, Inc.- (Big Flats)	Big Flats	Chemung	NYSEG	500	117	122	5	4%	Yes	500	244	Large	Makes optical fiber, glass & ceramic products
17	Coming, Inc. (Northside)	Corning	Steuben	NYSEG	2,500	783	935	152	19%	Yes	2,500	374	Large	Makes optical fiber, glass & ceramic products
18	Corning, Inc. (Sullivan Park)	Corning	Steuben	NYSEG	3,000	1,448	1,495	47	3%	Yes	3,000	498	Large	Makes optical fiber, glass & ceramic products
19	Seneca Foods Corporation	Geneva	Ontario	NYSEG	1,000	277	278	1	0%	Yes	1,000	278	Large	Canned fruits & vegetables
20	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	6	8,990	3,122	3,327				8,990			
21	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			
22	International Business Machines - Rochester	Rochester	Monroe	RGE	1,150	613	583	-30	-5%	Yes	1,150	507	Large	Computer Manufacturer
	Total RG&E		Subtotal	1	1,150	613	583				1,150			

Total	22	25,269	20,018	20,639
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25,269	817
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March 18, 2008

Exhibit "C"
March 18, 2008

Economic Development Power Allocation Board

Power for Jobs - Extended Benefits

Recommendation for Reconsideration

Line	Company	City	kw	Jobs Committed	Jobs in 2007 Application	Over (under)	% Over (under)	Selection	Reduced Allocation KW	Reconsideration Request Received	Reconsideration Full/Partial/None	Reconsideration Final Allocation KW	Service
1	New York University	New York	1,700	16,216	11,756	-4,460	-28%	Rebate	1,232	Yes	Full	1,700	Institution of Higher Education
2	Organichem	Rensselaer	1,000	624	518	-106	-17%	Rebate	830	Yes	Full	1,000	Manufacturing of active pharmaceutical ingredients
3	Thirteen WNET	New York	750	522	593	71	14%	Power	750	Yes	Full	750	Public Television Station
Total			3,450	17,362	12,867				2,813			3,450	

March 18, 2008

3. Next Meeting

The next meeting of the Board is to be determined.

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