

**ECONOMIC DEVELOPMENT POWER
ALLOCATION BOARD**

MINUTES

April 29, 2008

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 March 18, 2008

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

A. COMPANIES IN JOB COMPLIANCE

Con Edison - Service Territory

Bowne & Co.
New York – New York County

Mount Sinai Medical Center
New York – New York County

Home for Contemporary Theater & Art
New York – New York County

New York University
New York – New York County

Jacmel Jewelry, Inc.
Long Island City - Queens County

NYU Medical Center
New York – New York County

Kingsbrook Jewish Medical Center
Brooklyn – Kings County

Pepsi Cola Bottling Company
College Point – Queens County

Long Island Jewish Medical Center
Manhasset – Nassau County

Long Island Power Authority - Service Territory

Commercial Envelopes Manufacturing Corp.
Deer Park – Suffolk County

Ultimate Precision Metal
Farmingdale – Suffolk County

National Grid - Service Territory

Albany Molecular Research, Inc.
Albany – Albany County

Mohawk Paper Mills
Cohoes – Albany County

Applied Energy Solutions
Caledonia – Livingston County

Natrium Products, Inc.
Cortland – Cortland County

Borg Warner Morse Tech Corp.
Cortland – Cortland County

Organichem, Inc.
Rensselaer – Rensselaer County

Carville National Leather Corp.
Johnstown – Fulton County

PCI Paper Conversions, Inc.
Syracuse – Onondaga County

Corning, Inc. (Canton)
Canton - St. Lawrence County

Queensboro Farm Products, Inc.
Canastota – Madison County

Dielectric Laboratories, Inc.
Cazenovia – Madison County

Revere Copper Products
Rome – Oneida County

Dodge-Graphic Press Inc.
Utica – Oneida County

Sorrento Lactalis, Inc.
Buffalo – Erie County

Fitzpatrick & Weller, Inc.
Ellicottville – Cattaraugus County

Syracuse Label Co., Inc.
Liverpool – Onondaga County

Kilian Manufacturing Corporation
Syracuse – Onondaga County

Welch Allyn Data Collection Inc.
Skaneateles Falls – Onondaga County

New York State Electric and Gas – Service Territory

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

Corning, Inc. (Northside)
Corning – Steuben County

Agri-Mark, Inc.
Chateaugay – Franklin County

Corning, Inc. (Southside)
Corning – Steuben County

Borg Warner Automotive Morse TEC
Ithaca – Tompkins County

Endicott Interconnect Technologies
Endicott – Broome County

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

Soucy USA
Champlain – Clinton County

Rochester Gas and Electric - Service Territory

Flower City Printing, Inc.
Rochester – Monroe County

B. COMPANIES NOT IN JOB COMPLIANCE

National Grid - Service Territory - Service Territory

Cascades Tissue Group
Waterford – Saratoga County

Precision Systems Mfg., Inc.
Liverpool – Onondaga County

OTHER BUSINESS

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:

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

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
Thomas Warmath	Vice President and Chief Risk Officer
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
Connie Cullen	Deputy 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

April 29, 2008

1. **Adoption of Minutes**

The minutes of the meeting of March 18, 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 40 Power for Jobs (“PFJ”) customers as listed in Exhibit “A” and “B”.

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. In 2008, a new law (Chapter 59 of the laws of 2008) included provisions extending the program benefits until June 30, 2009.

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 40 PFJ customers, 38 of which are meeting their current job commitment and are listed in Exhibit “A”. However, two customers reported actual job numbers below their contractual commitment we are recommending that these customers have their allocation reduced proportionately to their job shortfall where appropriate. These customers are listed in Exhibit “B”. Collectively, these organizations have agreed to retain more than 56,000 jobs in

New York State in exchange for rebates. The rebate program will be in effect until June 30, 2009, 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 40 business listed in Exhibits "A" and "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:

A. COMPANIES IN JOB COMPLIANCE

Con Edison - Service Territory

**Bowne & Co.
New York – New York County**

**Mount Sinai Medical Center
New York – New York County**

**Home for Contemporary Theater & Art
New York – New York County**

**New York University
New York – New York County**

**Jacmel Jewelry, Inc.
Long Island City - Queens County**

**NYU Medical Center
New York – New York County**

**Kingsbrook Jewish Medical Center
Brooklyn – Kings County**

**Pepsi Cola Bottling Company
College Point – Queens County**

**Long Island Jewish Medical Center
Manhasset – Nassau County**

Long Island Power Authority - Service Territory

**Commercial Envelopes Manufacturing Corp.
Deer Park – Suffolk County**

**Ultimate Precision Metal
Farmingdale – Suffolk County**

National Grid - Service Territory

**Albany Molecular Research, Inc.
Albany – Albany County**

**Mohawk Paper Mills
Cohoes – Albany County**

**Applied Energy Solutions
Caledonia – Livingston County**

**Natrium Products, Inc.
Cortland – Cortland County**

**Borg Warner Morse Tech Corp.
Cortland – Cortland County**

**Organichem, Inc.
Rensselaer – Rensselaer County**

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

**PCI Paper Conversions, Inc.
Syracuse – Onondaga County**

**Corning, Inc. (Canton)
Canton - St. Lawrence County**

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

**Dielectric Laboratories, Inc.
Cazenovia – Madison County**

**Revere Copper Products
Rome – Oneida County**

Dodge-Graphic Press Inc.
Utica – Oneida County

Sorrento Lactalis, Inc.
Buffalo – Erie County

Fitzpatrick & Weller, Inc.
Ellicottville – Cattaraugus County

Syracuse Label Co., Inc.
Liverpool – Onondaga County

Kilian Manufacturing Corporation
Syracuse – Onondaga County

Welch Allyn Data Collection Inc.
Skaneateles Falls – Onondaga County

New York State Electric and Gas – Service Territory

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

Corning, Inc. (Northside)
Corning – Steuben County

Agri-Mark, Inc.
Chateaugay – Franklin County

Corning, Inc. (Southside)
Corning – Steuben County

Borg Warner Automotive Morse TEC
Ithaca – Tompkins County

Endicott Interconnect Technologies
Endicott – Broome County

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

Soucy USA
Champlain – Clinton County

Rochester Gas and Electric - Service Territory

Flower City Printing, Inc.
Rochester – Monroe County

B. COMPANIES NOT IN JOB COMPLIANCE

National Grid - Service Territory - Service Territory

Cascades Tissue Group
Waterford – Saratoga County

Precision Systems Mfg., Inc.
Liverpool – Onondaga 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 59 of the Laws of 2008; and be it further

RESOLVED, That the Board recommends to the Power Authority of the State of New York the 40 applications for extended benefits recommendations for electricity savings reimbursements discussed herein totaling 45,850 kW until June 30, 2009.

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

Exhibit "A"
 April 29, 2008

Line	Company	City	County	IOU	KW	Job Committed	Jobs in Application	Over/(under)	% Over (under)	Compliance	Recommended Allocation KW	Jobs/mw	Type	Service
1	Bowne & Co	New York	New York	Con Ed	550	391	384	-7	-2%	Yes	550	698	Large	Provides document management services
2	Home for Contemporary Theater & Art	New York	New York	Con Ed	30	19	23	4	21%	Yes	30	767	NFP	Arts venue
3	Jacmel Jewelry, Inc.	Long Island City	Queens	Con Ed	170	274	272	-2	-1%	Yes	170	1,600	Small	Makes & ships fine jewelry
4	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
5	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
6	Mount Sinai Medical Center	New York	New York	Con Ed	2,000	11,647	11,647	0	0%	Yes	2,000	5,824	NFP	Medical Center
7	New York University	New York	New York	Con Ed	1,700	16,216	9,817	-6,399	-39%	Yes *	1,700	5,775	NFP	Institution of Higher Education
8	NYU Medical Center	New York	New York	Con Ed	4,000	11,414	10,924	-490	-4%	Yes	4,000	2,731	NFP	Medical Center
9	Pepsi Cola Bottling Company	College Point	Queens	Con Ed	2,200	990	1,015	25	3%	Yes	2,200	461	Large	Manufacturer & distributes of soft drinks
	Total Con Ed		Subtotal	9	13,850	49,497	43,365				13,850			
10	Commercial Envelope Manufacturing Corp.	Deer Park	Suffolk	LIPA	700	199	203	4	2%	Yes	700	290	Large	Manufacturer of envelopes
11	Ultimate Precision Metal	Farmingdale	Suffolk	LIPA	250	123	120	-3	-2%	Yes	250	480	Small	Manufactures controlled enclosures
	Total LIPA		Subtotal	2	950	322	323				950			
12	Albany Molecular Research, Inc.	Albany	Albany	N. Grid	600	395	393	-2	-1%	Yes	600	655	Large	Pharmaceutical research/manufacturing
13	Applied Energy Solutions	Caledonia	Livingston	N. Grid	300	63	65	2	3%	Yes	300	217	Small	Electronics
14	Borg Warner Morse Tech Corp	Cortland	Cortland	N. Grid	1,500	236	216	-20	-8%	Yes	1,500	144	Large	Manufacturer of Auto Components
15	Carville National Leather Corp.	Johnstown	Fulton	N. Grid	200	31	31	0	0%	Yes	200	155	Small	Leather Products
16	Corning, Inc. (Canton)	Canton	St. Lawrence	N. Grid	1,500	245	261	16	7%	Yes	1,500	174	Large	Manufacturer of optical fiber/glass/ceramics
17	Dielectric Laboratories, Inc.	Cazenovia	Madison	N. Grid	400	190	190	0	0%	Yes	400	475	Large	Ceramic capacitors and ceramic packaging
18	Dodge-Graphic Press Inc	Utica	Herkimer	N. Grid	300	72	67	-5	-7%	Yes	300	223	Small	Printing Company
19	Fitzpatrick & Weller, Inc.	Ellicottville	Cattaraugus	N. Grid	1,000	95	93	-2	-2%	Yes	1,000	93	Large	Lumber & wood components
20	Kilian Manufacturing Corporation	Syracuse	Onondaga	N. Grid	400	166	154	-12	-7%	Yes	400	385	Large	Mfr. ball bearings
21	Mohawk Paper Mills	Cohoos	Albany	N. Grid	2,250	424	488	64	15%	Yes	2,250	217	Large	Manufacturer of text and cover papers
22	Natrium Products, Inc.	Cortland	Cortland	N. Grid	90	21	21	0	0%	Yes	90	233	Small	Manufacturer of sodium bicarbonate
23	Organichem, Inc.	Rensselaer	Rensselaer	N. Grid	1,000	310	256	-54	-17%	Yes *	1,000	256	Large	Manufacturing pharmaceutical ingredients
24	PCI Paper Conversions, Inc.	Syracuse	Onondaga	N. Grid	400	223	214	-9	-4%	Yes	400	535	Large	Printed materials & adhesive manufacturing
25	Queensboro Farm Products, Inc.	Canastota	Madison	N. Grid	500	79	81	2	3%	Yes	500	162	Large	Milk manufacturing and processing plant
26	Revere Copper Products	Rome	Oneida	N. Grid	2,000	425	424	-1	0%	Yes	2,000	212	Large	Copper & brass products
27	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
28	Syracuse Label Co., Inc.	Liverpool	Onondaga	N. Grid	200	86	88	2	2%	Yes	200	440	Small	Printing labels
29	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 Grd		Subtotal	18	16,140	4,700	4,840				16,140			
30	A. T. Reynolds & Sons, Inc.	Kiamesha Lake	Sullivan	NYSEG	250	56	55	-1	-2%	Yes	250	220	Small	Spring water and Ice Mfr.
31	Agri-Mark, Inc	Chateaugay	Franklin	NYSEG	500	112	115	3	3%	Yes	500	230	Large	Cheese Manufacturer
32	Borg Warner Automotive Morse TEC	Ithaca	Tompkins	NYSEG	4,000	1422	1,318	-104	-7%	Yes	4,000	330	Large	Manufacture of automotive components
33	Corning, Inc. (Costar Plant)	Oneonta	Otsego	NYSEG	900	181	172	-9	-5%	Yes	900	191	Large	Manufacturer fiber/glass/ceramic products
34	Coming, Inc. (Northside)	Coming	Steuben	NYSEG	2,500	935	948	13	2%	Yes	2,500	379	Large	Manufacturer fiber/glass/ceramic products
35	Coming, Inc.- (Southside)	Coming	Steuben	NYSEG	1,500	882	825	-57	-2%	Yes	1,500	550	Large	Manufacturer fiber/glass/ceramic products
36	Endicott Interconnect Technologies	Endicott	Broome	NYSEG	3,500	4,221	4,207	-14	0%	Yes	3,500	1,202	Large	Computers
37	Soucy USA	Champlain	Clinton	NYSEG	400	197	199	2	1%	Yes	400	498	Large	Storage & Warehouse facility
	Total NYSEG		Subtotal	8	13,550	8,006	7,839				13,550			
38	Flower City Printing, Inc.	Rochester	Monroe	RGE	650	275	312	37	13%	Yes	650	480	Large	Commercial printer
	Total RG&E		Subtotal	1	650	275	312				650			

Total	38	45,140	62,800	56,679
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45,140	1,256
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* This company has had all or part of their allocation restored through the reconsideration process or was deemed compliant based on program processes.

April 29, 2008

Economic Development Power Allocation Board
 Power for Jobs - Extended Benefits
 Recommendation for Electricity Savings Reimbursements
 Companies in Not Job Compliance

Exhibit "B"
 April 29, 2008

Line	Company	City	County	IOU	KW	Job Committed	Jobs in Application	Over/ (under)	% Over (under)	Compliance	Recommended Allocation KW	Jobs/mw	Type	Service
1	Cascades Tissue Group	Waterford	Saratoga	N. Grid	600	160	142	-18	-11%	No	530	268	Large	Large Industrial towel manufacturer
2	Precision Systems Mfg., Inc.	Liverpool	Onondaga	N. Grid	200	71	63	-8	-11%	No	180	350	Small	Machining and sheet metal manufacturing
	Total National Grd		Subtotal		2	800	231	205			710			

Total	2	800	231	205
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710	289
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April 29, 2008

3. **Next Meeting**

The next meeting of the Board is to be determined.

Next Mtg. Apr