

September 24, 2013

MEMORANDUM TO THE MEMBERS OF THE BOARD

SUBJECT: Transfer of Recharge New York Power Allocations

SUMMARY

The Economic Development Power Allocation Board (“EDPAB” or “Board”) is requested to approve and recommend that the New York Power Authority (“Authority”) Trustees (“Trustees”) authorize the transfer of Recharge New York (“RNY”) Power allocations for two existing customers, ESCO Turbine Technologies Syracuse, and Syracuse Castings Sales Corporation, which have requested such transfers due to changes of corporate ownership.

BACKGROUND

This is an administrative item brought to the Board at regular intervals. Both of the companies are requesting that the Board approve and recommend that the Trustees authorize a transfer of their existing power allocation to a new corporate entity. The power allocation and/or benefits for these customers will continue to be delivered to the same location. Both of the customers will continue to provide the same products and/or services as they did prior to the transfers. The reasons for such transfer requests are described below.

The Board has approved transfers of this nature at past meetings.

DISCUSSION

ESCO Turbine Technologies Syracuse (“ESCO”), with facilities located in Chittenango, Madison County, was recommended for, and awarded a 906 kW RNY Power allocation by EDPAB and the Authority’s Trustees at their meetings held on April 24, 2012. Due to the sale of the company’s assets and liabilities, ESCO is now named Consolidated Precision Products Syracuse. The company has requested that the allocation be transferred to a new corporate entity named “Consolidated Precision Products Syracuse” and has indicated that the new entity will commit to honor all of the terms and conditions of the company’s existing RNY Power contract, including commitments related to jobs and capital investment.

Syracuse Castings Sales Corporation (“Syracuse Castings”), with facilities located in Cicero, Onondaga County, was recommended for, and awarded a 146 kW RNY Power allocation by EDPAB and the Authority’s Trustees at their meetings held on April 24, 2012. Due to the sale of the company’s assets and liabilities, Syracuse Castings is now East Jordan Iron Works, Inc., d/b/a EJ USA, Inc. The company has requested that the allocation be transferred to a new corporate entity named “East Jordan Iron Works, Inc.” The Authority has not yet executed a contract with the customer as it awaits the formal transfer approval. The Authority has been

advised that the transferee will commit to honor all of the terms and conditions that pertain to the RNY Power allocation, including commitments related to jobs and capital investment.

RECOMMENDATION

For the reasons stated above, it is requested that EDPAB approve and recommend that the Trustees authorize the transfer of the RNY Power allocations identified above.

James F. Pasquale
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Economic Development & Energy Efficiency