

Informational Item on NYPA in Western New York

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Summary of NYPA in Western New York

- Niagara Power Project Overview
- Relicensing Benefits
- WNY Economic Development Power Programs
- Other WNY Economic Development Initiatives
- Energy Efficiency
- Additional Projects & Benefits



Niagara Power Project Overview

■ Power

Roughly half of the project's power generation – 947 megawatts (MW) out of 1,912 MW total – stays in the region.

■ Employment

NYPA's Niagara Project employs about 300 workers, with an annual payroll of more than \$29 million.

■ Upgrades and Maintenance

A \$298 million upgrade of the main Moses plant was completed in 2006. A \$460 million, multi-year life extension of the Lewiston Pump-Generating Plant is now underway. Those upgrades and other maintenance work undertaken at the Niagara project have led to tens of millions of dollars in contracts to local firms.



Relicensing Benefits

- **Total Value:** \$1 billion over 50 years and 32 MW
 - \$217 million has been spent as of August 2013
- **Host Communities Fund:** \$250 million and 28 MW of low-cost power for Niagara County, City of Niagara Falls, Town of Niagara, Lewiston, and school districts of Lewiston-Porter, Niagara-Wheatfield and Niagara Falls.
- **Erie County / City of Buffalo:** \$179 million
 - In 2009, NYPA agreed to accelerate payments to \$4.7 million per year for 20 years rather than \$3.5 million for remainder of the 50 years.
 - An Industrial Incentive Award provides another \$3.7 million per year till 2029 to support revitalization.



Relicensing Benefits

- **Tuscarora Nation:** \$21.8 million and 1 MW of low-cost power
- **Niagara University:** \$10.5 million and 3 MW of low-cost power
- **Ecological Improvements:** \$48.2 million
- **Greenway Funds:** \$450 million
- **Recreational Enhancements:** \$18.6 million



WNY Economic Development Power Programs

- More than one-third of the project's output is tied to two low-cost power programs for businesses within a 30-mile radius of the hydroelectric project, or for businesses in nearby Chautauqua County, at a price that is currently more than 40 percent lower than wholesale market electricity in the region.
- The hydropower programs (*Expansion Power and Replacement Power*) allocations are directly linked to roughly 30,000 jobs at 127 Niagara Frontier businesses.
- NYPA administers the Governor's statewide ReCharge NY program, which utilizes some of the Niagara project's power as part of a mix of hydropower and market-purchased power.
 - Currently, 93 WNY companies have been awarded ~48 MW of Recharge NY power, supporting more than 27,000 jobs in the region



Other WNY Economic Development Initiatives

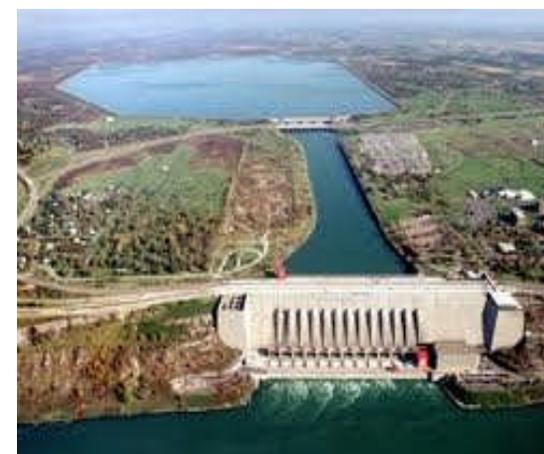
■ Proceeds Legislation

Takes the net earnings from any unused Expansion or Replacement Power sold into the market at higher rates. Proceeds from the fund can be used to fund economic development projects within a 30 mile radius of the Niagara Power project. \$7 million awarded to five businesses as of July 23, 2013. Approximately \$23 million now in escrow.



■ Niagara Economic Development Fund

Capitalized the Niagara Economic Development Fund (NEDF), providing low-interest loans to businesses locating or expanding in Niagara County. Currently, 13 loans have assisted 11 businesses expand and helped to create more than 650 jobs. USA Niagara Development Corporation, the Niagara County Center for Economic Development and the Niagara Frontier Transportation Authority have been past beneficiaries.



Energy Efficiency

- Over the last two-and-a-half decades, NYPA has financed more than \$95 million in completed energy efficiency and clean energy projects at 475 sites in Western New York. These improvements save taxpayers nearly \$5.5 million a year and reduce greenhouse gas emissions by approximately 38,000 tons annually.
 - **Williamsville Central Schools:** An energy-saving makeover at the suburban Buffalo school district's 13 elementary, middle and high schools which includes new lighting, cooling, heating and ventilation upgrades and other measures to enhance comfort levels for the nearly 11,000-student body.
 - **University at Buffalo:** Multiple phases of major energy efficiency upgrades throughout the campus. These improvements include ventilation and air-conditioning system upgrades, along with lighting retrofits and a new and improved field lighting at UB Stadium.
 - **City of Niagara:** Niagara Falls Veterans Memorial Monument LED Lighting currently underway.



Additional Projects & Benefits

■ Power Vista Visitors Center

NYPA operates the Power Vista, the Niagara project's admission-free visitors center, which is a major tourist attraction in the region, playing host to nearly seven million visitors since it opened in 1963.



■ Electric Vehicles

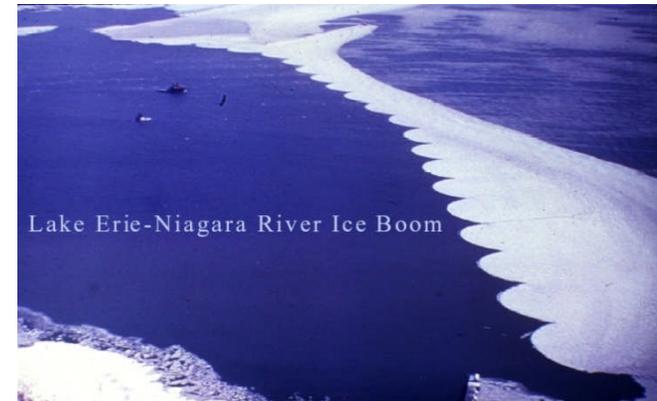
NYPA has helped to put more than 75 electric and hybrid-electric vehicles into service in Niagara and Erie counties at various public entities, including the City of Niagara Falls, the Town of Niagara, the Town of Grand Island and Niagara Falls State Park. Roughly two dozen electric vehicles and hybrids are in use at the Niagara project.



Additional Projects & Benefits

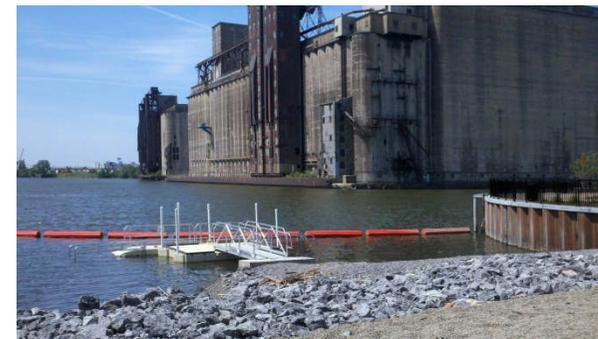
■ Ice Boom Relocation

NYPA relocated the site of its ice boom storage facility to assist in the revitalizing of the Buffalo waterfront. As part of the agreement, NYPA constructed the 1.3-acre Mutual Riverfront Park, in Buffalo's Old First Ward, adjacent to the new ice boom storage facility.



■ Grain Elevators

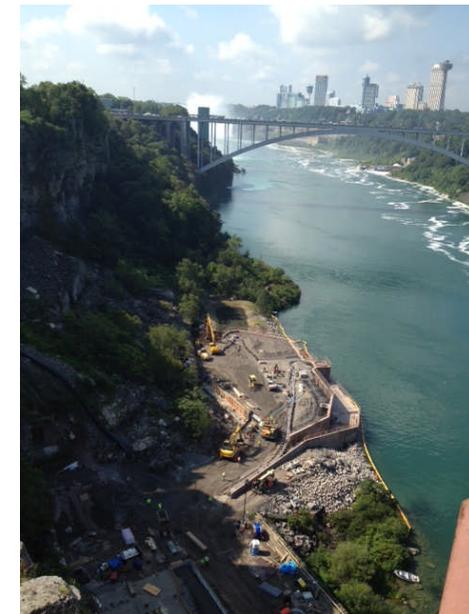
NYPA completed an extensive reconstruction effort on the connecting terminal grain elevators located at the First Buffalo River Marina, along the Buffalo River. Measures were implemented to protect and secure the elevators in an effort to prevent any further deterioration. NYPA relicensing funding is enabling Erie Canal Harbor Development Corporation to move forward with a plan to illuminate and activate grain elevators and bridges to revitalize the Buffalo waterfront.



Additional Projects & Benefits

■ Maid of the Mist

- NYPA is providing permits and technical advice on construction of a winter mooring site for this iconic Western New York company in collaboration with NYS Parks.
- Targeted completion of the functional dry dock is November 2013 with full completion and restoration of the upper gorge area in Summer 2014.
- Schedule of interpretation of the site is still in the discussion phase, but will be a collaborative effort with local stakeholders.



Additional Projects & Benefits

■ Workforce Development

NYPA is working closely with Empire State Development, New York State utilities, local educational providers and labor organizations to formulate and implement a strategy to address the energy, and advanced manufacturing industries workforce development needs and challenges in Western New York.





New York Power Authority

Generating more than electricity