MINUTES OF THE REGULAR MEETING
OF THE
POWER AUTHORITY OF THE STATE OF NEW YORK

June 30, 2009

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June 30, 2009

Minutes of the Regular Meeting of the Power Authority of the State of New York held at the Niagara Power Project – Power Vista Visitors' Center, Lewiston, New York, at 11:35 a.m.

Members of the Board present were:

Michael J. Townsend, Chairman
Jonathan F. Foster, Vice Chairman
D. Patrick Curley, Trustee
Elise M. Cusack, Trustee
Eugene L. Nicandri, Trustee

Richard M. Kessel	President and Chief Executive Officer
Gil C. Quiniones	Chief Operating Officer
Terryl Brown Clemons	Executive Vice President and General Counsel
Joseph Del Sindaco	Executive Vice President and Chief Financial Officer (White Plains)
Edward A. Welz	Executive Vice President and Chief Engineer – Power Supply
Joan Tursi	Acting Executive Vice President – Corporate Support and Administration (White Plains)
Bert J. Cunningham	Senior Vice President – Corporate Communications
Steven J. DeCarlo	Senior Vice President – Transmission (White Plains)
Paul F. Finnegan	Senior Vice President – Public and Governmental Affairs
William J. Nadeau	Senior Vice President – Energy Resource Management and Strategic Planning (White Plains)
Donald A. Russak	Senior Vice President – Corporate Planning and Finance (White Plains)
James H. Yates	Senior Vice President – Marketing and Economic Development
Arnold M. Bellis	Vice President and Controller (White Plains)
Jordan Brandeis	Vice President – Power Resource Planning and Acquisition
Thomas A. Davis	Vice President – Energy Risk Assessment and Control (White Plains)
John Kahabka	Vice President – Environment, Health and Safety (White Plains)
Patricia Leto	Vice President – Procurement (White Plains)
Horace Horton	Regional Manager – Western New York
Joseph Kessler	Senior Electrical Engineer – Niagara Power Project
Dennis T. Eccleston	Chief Information Officer (White Plains)
Francine Evans	Special Advisor to the President and Chief Executive Officer
Karen Delince	Corporate Secretary
Helen Eisenfeld	Director – Energy Services and Technology
Guerino Trovato	Program Manager – Energy Services and Technology (White Plains)
Lou Paonessa	Community Relations Manager – Niagara Power Project
Marilyn Brown	Manager – Marketing Analysis and Tariff Administration (White Plains)
Jenny Lee Liu	Manager – Energy Market Analysis (White Plains)
Maribel Cruz Brown	Business Development and Engineering Facilitator (White Plains)
Angela D. Graves	Deputy Corporate Secretary
Mary Jean Frank	Associate Corporate Secretary
Lorna M. Johnson	Assistant Corporate Secretary
Paul Pasquarello	Photography Services Supervisor – Niagara Power Project
Paul Dyster	Mayor, City of Niagara Falls
Mark Scheer	Reporter, *Niagara Gazette*
Chris Fahey	Deputy Chief of Staff – Congressman Higgins Office`
John Byrne	(former colleague of Terryl Brown Clemons from the Governor's Office)

Chairman Townsend presided over the meeting. Corporate Secretary Delince kept the Minutes.

1. <u>Introduction</u>

Chairman Michael Townsend said that the Trustees were glad to be having their meeting at the Authority's Niagara Power Project. He welcomed Niagara Falls Mayor Paul Dyster to the meeting and invited him to address the Trustees.

Mayor Dyster welcomed the Trustees to Western New York, saying that he had been at the Yahoo! press conference in Buffalo that morning and commending the work that Authority staff has done to bring Yahoo! to this area of the State. He said that the Yahoo! project is an example of how the Authority can help Western New York, adding that Niagara County could be an economic engine for the region and the State as a whole. Mayor Dyster said that the Yahoo! model demonstrates how this can be done with a combination of inexpensive power, bipartisan support from all levels of government and public-private partnerships. He thanked the Authority on behalf of Western New York for the very proactive role it is playing in the area's economic revitalization.

Chairman Townsend thanked Mayor Dyster for his kind words and also thanked President and Chief Executive Officer Richard Kessel and Authority staff for the hard work they'd done in the past couple of months to bring the Yahoo! project to fruition.

2. <u>Consent Agenda</u>

Chairman Michael Townsend said that the Economic Development Power Allocation Board had recommended that the Authority's Trustees approve item 2b (Power for Jobs Program – Extended Benefits) at their meeting of June 26, 2009.

Vice Chairman Jonathan Foster said that item 2c (Annual Review of Hydropower Allocation Job Commitments) was not supported by any numbers or facts. He said that the Trustees were being asked to approve something that doesn't have the back-up information to support it. Chairman Townsend suggested that he and Vice Chairman Foster send an e-mail to staff detailing the types of back-up information he is seeking.

With reference to item 2g (Approval of Hedge Transaction Authority for 2010 Long-Term Energy Supply Agreements with New York City Governmental Customers), Vice Chairman Foster said that he would like staff to make a presentation on the Authority's hedging program at the July Trustees' Meeting.

President Kessel said that he wanted to disclose that several of the companies listed in item 2h (Procurement (Services) Contracts – Business Units and Facilities – Awards and Extensions) had done work for the Long Island Power Authority but that he had not been involved in their selection for contract awards.

a. **Approval of the Minutes**

The Minutes of the Regular Meeting held on May 19, 2009 were unanimously adopted.

b. Power for Jobs Program - Extended Benefits

The President and Chief Executive Officer submitted the following report:

SUMMARY

"The Trustees are requested to approve electricity savings reimbursement rebates for 69 Power for Jobs ('PFJ') customers as listed in Exhibit '2b-A.' This request is to approve rebate dollars only. The decision to allow these customers to receive extended benefits was made at past Trustee meetings. These customers have been recommended to receive such rebates by the Economic Development Power Allocation Board ('EDPAB').

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 received three-year contracts for PFJ electricity.

"The PFJ program originally made 400 megawatts ('MW') of power available and was to be phased in over three years. 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 additional power to be allocated under the 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. 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. 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

"At its meeting on June 26, 2009, EDPAB recommended that the Authority's Trustees approve electricity savings reimbursement rebates to the 69 businesses listed in Exhibit '2b-A.' Collectively, these organizations have agreed to retain more than 56,000 jobs in New York State in exchange for the rebates. The rebate program will be in effect until June 30, 2009, the program's sunset.

"The Trustees are requested to approve the payment and funding of rebates for the companies listed in Exhibit '2b-A' in a total amount currently not expected to exceed $6.8 million. Staff recommends that the Trustees authorize a withdrawal of monies from the Operating Fund for the payment of such amount, provided that such amount is not needed at the time of withdrawal for any of the purposes specified in Section 503(1)(a)-(c) of the General Resolution Authorizing Revenue Obligations, as amended and supplemented. Staff expects to present the Trustees with requests for additional funding for rebates to the companies listed in the Exhibit in the future for other rebate months.

FISCAL INFORMATION

"Funding of rebates for the companies listed in Exhibit '2b-A' is not expected to exceed $6.8 million. Payments will be made from the Operating Fund. To date, the Trustees have approved $178.4 million in rebates.

RECOMMENDATION

"The Executive Vice President and Chief Financial Officer and the Director – Marketing Analysis and Administration recommend that the Trustees approve the payment of electricity savings reimbursements to the Power for Jobs customers listed in Exhibit '2b-A.'

"The Chief Operating Officer, the Executive Vice President and General Counsel, the Senior Vice President – Marketing and Economic Development and I concur in the recommendation."

The following resolution, as submitted by the President and Chief Executive Officer, was unanimously adopted.

> **WHEREAS, the Economic Development Power Allocation Board ("EDPAB") has recommended that the Authority approve electricity savings reimbursements to the Power for Jobs ("PFJ") customers listed in Exhibit "2b-A";**
>
> **NOW THEREFORE BE IT RESOLVED, That to implement such EDPAB recommendations, the Authority hereby approves the payment of electricity savings reimbursements to the companies listed in Exhibit "2b-A," and that the Authority finds that such payments for electricity savings reimbursements are in all respects reasonable, consistent with the requirements of the PFJ program and in the public interest; and be it further**
>
> **RESOLVED, That based on staff's recommendation, it is hereby authorized that payments be made for electricity savings reimbursements as described in the foregoing report of the President and Chief Executive Officer in the aggregate amount of up to $6.8 million, and it is hereby found that amounts may properly be withdrawn from the Operating Fund to fund such payments; and be it further**
>
> **RESOLVED, That such monies may be withdrawn pursuant to the foregoing resolution upon the certification on the date of such withdrawal by the Vice President – Finance or the Treasurer that the amount to be withdrawn is not then needed for any of the purposes specified in Section 503(1)(a)-(c) of the General Resolution Authorizing Revenue Obligations, as amended and supplemented; and be it further**

RESOLVED, That the Senior Vice President – Marketing and Economic Development or his designee be, and hereby is, authorized to negotiate and execute any and all documents necessary or desirable to effectuate the foregoing, subject to the approval of the form thereof by the Executive Vice President and General Counsel; and be it further

RESOLVED, That the Chairman, the Vice Chairman, the President and Chief Executive Officer, the Chief Operating Officer and all other officers of the Authority are, and each of them hereby is, authorized on behalf of the Authority to do any and all things and take any and all actions and execute and deliver any and all certificates, agreements and other documents to effectuate the foregoing resolution, subject to the approval of the form thereof by the Executive Vice President and General Counsel.

New York Power Authority
Power for Jobs - Extended Benefits
Recommendation for Electricity Savings Reimbursements

Line	Company	City	County	IOU	KW	Job Committed	Jobs in Application	Over (under)	% Over (under)	Compliance	Recommended Allocation KW	Jobs/MW	Type	Service
1	Acme Smoked Fish Corp.	Brooklyn	Kings	Con Ed	400	152	140	-12	-8%	Yes	400	350	Large	Food processor
2	American Cancer Society	New York	New York	Con Ed	80	25	73	48	192%	Yes	80	913	NFP	Social Services Provider
3	Bowne & Co.	New York	New York	Con Ed	550	384	362	-22	-6%	Yes	550	658	Large	Provides document management services
4	Columbia University - Trustees	New York	New York	Con Ed	750	749	750	1	0%	Yes	750	1,000	NFP	Educational and Student Services
5	Diller-Quaile School of Music	New York	New York	Con Ed	30	56	52	-4	-7%	Yes	30	1,733	NFP	Music education programs
6	Elaine Kaufman Cultural Center	New York	New York	Con Ed	60	72	74	2	3%	Yes	60	1,233	NFP	Multi-arts and educational center
7	Fordham - Marymount College	Tarrytown	Westchester	Con Ed	400	187	249	62	33%	Yes	400	623	NFP	Independent liberal arts college
8	Greater Jamaica Development Corp.	Jamaica	Queens	Con Ed	375	151	151	0	0%	Yes	375	403	NFP	Urban & Community Development
9	Home for Contemporary Theater & Art	New York	New York	Con Ed	30	23	23	0	0%	Yes	30	767	NFP	Arts venue for performing arts disciplines
10	Jacmel Jewelry, Inc.	Long Island City	Queens	Con Ed	170	272	266	-6	-2%	Yes	170	1,565	Small	Makes & ships fine jewelry
11	Kruysman, Inc.	Long Island City	Queens	Con Ed	270	168	104	-64	-38%	No	170	612	Small	Manufacturer of Filing Supplies
12	Lincoln Center for the Performing Arts	New York	New York	Con Ed	3,000	3,763	4,035	272	7%	Yes	3,000	1,345	NFP	Performing Arts Center
13	New York Presbyterian Hospital	New York	New York	Con Ed	5,000	8,423	8,423	0	0%	Yes	5,000	1,685	NFP	Medical care
14	Norampac New York City, Inc.	Maspeth	Queens	Con Ed	600	204	204	0	0%	Yes	600	340	Large	Manufacturer of corrugated paper packaging
15	NYU Medical Center	New York	New York	Con Ed	4,000	10,924	11,364	440	4%	Yes	4,000	2,841	NFP	Medical Center
16	Pepsi Cola Bottling Company	College Point	Queens	Con Ed	2,200	1,015	1,003	-12	-1%	Yes	2,200	456	Large	Manufacturer & distributes of soft drinks
17	TanaSeybert, LLC	New York	New York	Con Ed	400	194	294	100	52%	Yes	400	735	Large	Printing trade services
	Total Con Ed		**Subtotal**	**17**	**18,315**	**26,762**	**27,567**				**18,215**			
18	B.H. Aircraft Company, Inc	Ronkonkoma	Suffolk	LIPA	400	79	79	0	0%	Yes	400	198	Large	Noise suppression hardware for jet engines
19	Good Samaritan Hospital	West Islip	Suffolk	LIPA	800	3,088	3,137	49	2%	Yes	800	3,921	NFP	Healthcare Center
20	John Hassall, Inc.	Westbury	Nassau	LIPA	450	113	101	-12	-11%	Yes	450	224	Large	Manufacturer of high tech metal fasteners
21	John T. Mather Memorial Hospital	Port Jefferson	Suffolk	LIPA	400	1,478	1,500	22	1%	Yes	400	3,750	NFP	Community Hospital
22	North Shore Health System	Manhasset	Nassau	LIPA	2,600	6,500	6,513	13	0%	Yes	2,600	2,505	NFP	Medical Services
23	Standard Microsystems Corp.	Hauppauge	Suffolk	LIPA	1,050	403	449	46	11%	Yes	1,050	428	Large	Maker and supplier of computer circuits
	Total LIPA		**Subtotal**	**6**	**5,700**	**11,661**	**11,779**				**5,700**			
24	Albany Molecular Research, Inc.	Albany	Albany	Grid	600	393	404	11	3%	Yes	600	673	Large	Pharmaceutical & organic research
25	AMRI Rensselaer	Rensselaer	Rensselaer	Grid	1,000	256	253	-3	-1%	Yes	1,000	253	Large	Manufacturing of pharmaceutical ingredients
26	Anoplate Corp.	Syracuse	Onondaga	Grid	450	192	209	17	9%	Yes	450	464	Large	Metal Finishing
27	Applied Energy Solutions	Caledonia	Livingston	Grid	300	65	62	-3	-5%	Yes	300	207	Small	Electronics
28	Associated Brands, Inc.	Medina	Orleans	Grid	1,000	259	303	44	17%	Yes	1,000	303	Large	Manufacturers of dry food products
29	Bank of New York (Oriskany)	Oriskany	Oneida	Grid	500	791	801	10	1%	Yes	500	1,602	Large	Banking Services
30	Bestway Enterprises	Cortland	Cortland	Grid	75	74	71	-3	-4%	Yes	75	947	Small	Lumber Products

New York Power Authority
Power for Jobs - Extended Benefits
Recommendation for Electricity Savings Reimbursements

Line	Company	City	County	IOU	KW	Committed	Application	(under)	(under)	Compliance	Recommended Allocation KW	Jobs/MW	Type	Service
31	Borg Warner Morse TEC (Cortland)	Cortland	Cortland	Grid	1,500	216	209	-7	-3%	Yes	1,500	139	Large	Manufacture of automotive components
32	Cascades Tissue Group	Waterford	Saratoga	Grid	530	142	204	62	44%	Yes	530	385	Large	Large Industrial towel manufacturer
33	Clarkson University	Potsdam	St. Lawrence	Grid	1,500	664	664	0	0%	Yes	1,500	443	NFP	Higher education
34	Climax Manufacturing Co.	Carthage	Jefferson	Grid	1,500	69	69	0	0%	Yes	1,500	46	Large	Paperboard mills
35	Consumers Beverages, Inc.	Buffalo	Erie	Grid	220	71	70	-1	-1%	Yes	220	318	Small	Beverage Producer
36	Cooper Hand Tools	Cortland	Cortland	Grid	1,330	123	118	-5	-4%	Yes	1,330	89	Large	Metal machining and casting
37	Crucible Specialty Metals	Syracuse	Onondaga	Grid	4,000	687	682	-5	-1%	Yes	4,000	171	Large	Specialty steel manufacturer.
38	Eastman Machine Company	Buffalo	Erie	Grid	300	107	98	-9	-8%	Yes	300	327	Small	Manufacturer of textile cutting equipment
39	Fiber Glass Industries Inc.	Amsterdam	Montgomery	Grid	700	138	148	10	7%	Yes	700	211	Large	Produces high strength woven fabrics
40	Higbee Inc.	Syracuse	Onondaga	Grid	100	47	47	0	0%	Yes	100	470	Small	Mfr. of gaskets, and sealing products
41	HMI Metal Powders	Clayville	Oneida	Grid	500	106	111	5	5%	Yes	500	222	Large	Specialty powders for aerospace
42	International Fiber Corporation	North Tonawanda	Niagara	Grid	350	113	104	-9	-8%	Yes	350	297	Small	Produces powdered cellulose and fibers
43	Intertek Testing Services	Cortland	Cortland	Grid	600	306	311	5	2%	Yes	600	518	Large	Independent test lab
44	Luvata Inc.	Buffalo	Erie	Grid	5,000	595	617	22	4%	Yes	5,000	123	Large	Metal manufacturing
45	Mayer Bros. Apple Products, Inc.	West Seneca	Erie	Grid	300	90	93	3	3%	Yes	300	310	Small	Juice pressing and bottling
46	McLane Eastern	Baldwinsville	Onondaga	Grid	875	945	801	-144	-15%	Yes *	800	1,001	Large	Wholesale grocery distributor
47	Meloon Foundries, Inc.	Syracuse	Onondaga	Grid	275	58	52	-6	-10%	Yes	275	189	Small	Non-Ferrous Sand Casting Foundry
48	Nathan Littauer Hospital & Nursing Home	Gloversville	Fulton	Grid	400	682	698	16	2%	Yes	400	1,745	NFP	Hospital and Nursing Home
49	Natrium Products, Inc.	Cortland	Cortland	Grid	90	21	21	0	0%	Yes	90	233	Small	Manufacturer of sodium bicarbonate
50	Norlite Corp.	Cohoes	Albany	Grid	500	68	69	1	1%	Yes	500	138	Large	Manufacturer of Brass Fittings
51	Oldcastle Precast Inc.	South Bethlehem	Albany	Grid	160	64	67	3	5%	Yes	160	419	Small	Precast products and installation
52	Pelco Electronic Corp.	Cazenovia	Madison	Grid	100	49	47	-2	-4%	Yes	100	470	Small	Electronic components
53	Rome Specialty Company, Inc.	Rome	Oneida	Grid	135	17	17	0	0%	Yes	135	126	Small	Manufacturer of fishing tackle
54	Snyder Industries, Inc.	N. Tonawanda	Niagara	Grid	350	98	100	2	2%	Yes	350	286	Small	Machinery
55	Stone Construction Equipment Inc.	Honeoye	Ontario	Grid	300	221	198	-23	-10%	Yes	300	660	Small	Manufacturers light construction equipment
56	Syracuse Casting Sales Corp.	Cicero	Onondaga	Grid	300	107	98	-9	-8%	Yes	300	327	Small	Produces subterranean vault products
57	Syracuse University	Syracuse	Onondaga	Grid	2,000	4,530	4,575	45	1%	Yes	2,000	2,288	NFP	Institution of Higher Education
58	Thermold Corp.	Canastota	Madison	Grid	200	56	36	-20	-36%	No	130	277	Small	Complete thermosplastic molding services
59	Turbine Engine Components Technologies	Whitesboro	Oneida	Grid	1,200	281	288	7	2%	Yes	1,200	240	Large	Precision forging plant
60	Welch Allyn Data Collection Inc.	Skaneateles Falls	Onondaga	Grid	2,000	1,302	1,301	-1	0%	Yes	2,000	651	Large	Medical and dental diagnostic equipment
	Total National Grid		**Subtotal**	**38**	**31,240**	**14,003**	**14,016**				**31,095**			

New York Power Authority
Power for Jobs - Extended Benefits
Recommendation for Electricity Savings Reimbursements

Line	Company	City	County	IOU	KW	Committed	Application	(under)	(under)	Compliance	Recommended Allocation KW	Jobs/MW	Type	Service
61	Borg Warner Morse TEC (Ithaca)	Ithaca	Tompkins	NYSEG	4,000	1,318	1,265	-53	-4%	Yes	4,000	316	Large	Manufacture of automotive components
62	Egli Machine, Inc.	Sidney	Otsego	NYSEG	20	28	27	-1	-4%	Yes	20	1,350	Small	Injected molds
63	Kraft Foods - Walton	Walton	Delaware	NYSEG	870	160	155	-5	-3%	Yes	870	178	Large	Mfr. of puddings & snacks
64	Niagara Fiberboard Inc.	Lockport	Niagara	NYSEG	183	23	24	1	4%	Yes	183	131	Small	Makes recycled paperboard products
65	Norwich Aero Products, Inc.	Norwich	Chenango	NYSEG	160	110	113	3	3%	Yes	160	706	Small	Mfg. auto temp sensors
66	PCB Piezotronics, Inc.	Depew	Wayne	NYSEG	600	452	480	28	6%	Yes	600	800	Large	Piezoelectric quartz measuring instruments
	Total NYSEG		**Subtotal**	**6**	**5,833**	**2,091**	**2,064**				**5,833**			
67	Flower City Printing, Inc.	Rochester	Monroe	RG&E	500	312	306	-6	-2%	Yes	500	612	Large	Commercial printer
68	Gorbel Corp.	Fishers	Ontario	RG&E	350	153	154	1	1%	Yes	350	440	Small	Produces jibs, workstations & cranes
69	Seneca Foods Corp. (Leicester)	Leicester	Livingston	RG&E	720	132	115	-17	-13%	Yes *	720	160	Large	Canned fruits & vegetables
	Total RG&E		**Subtotal**	**3**	**1,570**	**597**	**575**				**1,570**			
			Total	**69**	**62,658**	**55,114**	**56,001**				**62,413**			

* This company has had all or part of their allocation restored through the the reconsideration process or was deemed compliant based on program procedures.

c. Annual Review of Hydropower Allocation Job Commitments

The President and Chief Executive Officer submitted the following report:

SUMMARY

"It is recommended that the Trustees refresh the employment commitments for seven customers in the auto industry to reflect its fundamental restructuring, as set forth in Exhibit '2c-A'; adjust the future job commitment levels for four companies that made productivity improvements, as listed in Exhibit '2c-B' and take no action on 19customers, as set forth in Exhibit '2c-C.'

BACKGROUND

"Authority staff reviewed all business hydropower allocations and the customers' performance against agreed-upon job commitments. In 2008, the Authority had 200 contracts with 104 business customers. This year's review covers a total of 94 customers with 170 contracts that required the customers to report job levels for 2008. The contracts reviewed by staff represent overall power allocations of 521,298 kW and total employment commitments of 32,153 jobs. In the aggregate, these customers reported actual employment of 31,165 jobs. This represents 97% of the total job commitment for business hydropower customers reporting in 2008. Nevertheless, 27customers have actual job levels below the minimum threshold.

"The contracts contain a customer commitment to retain or add a specific number of jobs. If the actual job level falls below 90% of that commitment, (80% for 'vintage' customers, i.e., those having contract allocations prior to 1988), the Authority may reduce that customer's power allocation proportionately. Provided contract language allows for it, a company may request a productivity review to have its job commitment reduced if the reduction in employment is due to increased efficiency or improved technology.

DISCUSSION

"Staff recommends that the Trustees refresh the employment commitments for seven customers in the automotive industry. The impact of this industry sector on the New York State economy is significant and accounts for 75% of all manufacturing within the transportation manufacturing sector. The majority of these jobs are associated with automotive parts manufacturing. More than one-third of the total cluster employment is in Western New York region (Buffalo, Jamestown, Cheektowaga, Niagara Falls, Medina and Lockport). The Authority has had a long history of supporting the automotive industry with allocations of nearly 70 MW of hydropower.

"In 2005, the downturn in the U. S. automotive industry began to rapidly accelerate. In the last four years, the Authority's automotive customers' primary concern has been their contractual job commitments. Contractual employment obligations have remained essentially unchanged since the various allocations were first awarded, in many cases more than a decade ago. This has created a situation whereby the automotives in Western New York have continued to be at risk of having their allocations significantly reduced due to the difference between contractual job commitments and actual employment. Without access to their full allocations, the Authority's automotive customers will have to severely reduce operations or, more likely, close entirely.

"The fundamental restructuring of the automotive industry in response to shrinking markets has changed the landscape of this sector forever. The Authority's customers must be able to operate with greater efficiency, increased productivity and less manpower. This fact is at the center of the recommendation to refresh job commitments for automotive customers so that they reflect reasonable, sustainable commitments versus commitments made when the industry was at significantly higher production levels.

"Authority staff has revisited each customer's original contractual job commitment. The recommendation to refresh the job commitments of these automotive customers, while allowing their allocations to remain intact, is made as each individual business case warrants such action, so that the companies can recover and remain open and competitive.

Section I
Allocations in Auto Industry with Refreshed Employment Commitments

"Staff recommends that the Trustees refresh the job commitments for seven companies in the automotive industry, as discussed below, and listed in Exhibit '2c-A.'

American Axle and Manufacturing Inc. ('AAM'), Cheektowaga, Erie County

Allocations: 250 kW and 650 kW of Expansion Power ('EP')
Jobs Commitments: 114 jobs and 159 jobs, respectively

Background: After a protracted strike, AAM closed two Western New York facilities in 2008. The Cheektowaga facility is still at risk. This facility manufactures automobile driveline and chassis systems and components, including axles and drive-shafts for light trucks and SUVs. This facility machines differential gears, side gears and pinion gears. The crisis in the auto industry, with its drastic volume reductions to 60% of normal levels, has led to AAM closing three U. S. facilities, including two in the Buffalo area, leaving this one remaining, but in a compromised position.

Recommendation: Staff recommends that the Trustees refresh AAM's hydropower allocation commitments to 60 jobs for both EP allocations.

Brunner International, Inc. ('Brunner'), Medina, Orleans County

Allocations: 1,200 kW of Replacement Power ('RP') and 1,500 kW of EP
Jobs Commitments: 291 jobs each

Background: Brunner's primary market is the truck and trailer customer. As a result of the economic crisis of 2008, consumer demand for these vehicles is only 50% or less of what it was in 2007.

Recommendation: Staff recommends that the Trustees refresh Brunner's employment commitments to 160 jobs for all of their hydropower allocations.

Curtis Screw Co., Inc. ('Curtis Screw'), Buffalo, Erie County

Allocations: 1,450 kW, 350 kW and 300 kW of RP
Jobs Commitments: 276 jobs and 260 jobs, respectively

Background: Curtis Screw is an industry leader in precision-machined components and assemblies for the automotive market. The company's Buffalo operation is almost entirely dedicated to supplying the automotive industry and the crisis in the auto industry has resulted in drastic volume reductions.

Recommendation: Staff recommends that the Trustees refresh Curtis Screw's employment commitments to 150 jobs for all of its RP allocations.

Delphi Automotive Systems ('Delphi'), Lockport, Niagara County

Allocation: 14,300 kW and 10,000 kW
Jobs Commitment: 4,638 jobs

Background: Delphi declared bankruptcy in 2005. On June 1, 2009, Delphi announced that it has filed modifications to its plan of reorganization, which it believes will lead to a successful emergence from its Chapter 11 restructuring. The success of the plan is directly related to General Motors' ('GM') restructuring plan. Delphi's executive management has closed all but two plants in North America, one of which is in Lockport. The company is the largest single employer in Niagara County.

Delphi manufactures radiators, condensers and heaters, mainly for GM autos, but has diversified to other car makers as well. The automotive market meltdown has forced the company to permanently reduce employment levels at the Lockport plant. Production volumes declined 30% per year from 2007 through the present. In order to remain viable and competitive, Delphi has been completely streamlining its manufacturing operations and implementing innovative technology, and in mid-2008 the company completed a competitive operating agreement plan with its union. The company believes that it will strengthen its position in the marketplace, but restructuring will result in further declines in its employment levels in the future.

Recommendation: Staff recommends that the Trustees refresh Delphi's hydropower allocation commitments to 950 jobs for the above listed EP allocations.

Ford Motor Company ('Ford'), Buffalo, Erie County

Allocations: 4,300 kW and 2,900 kW of EP
Jobs Commitments: 1,534 jobs

Background: Although the 'strongest' of the Big Three, Ford and its stamping plant could still experience job losses due to continuing industry restructuring and reduced consumer demand. Of immediate concern is the bankruptcy of Visteon, one of the country's largest automotive parts suppliers. Visteon's major customer is Ford. The company doesn't have any financing lined up from banks and will have to lean heavily on Ford for cash to get it through its restructuring.

In order to stay competitive, Ford is in the process of a major restructuring due to the changes in the automotive industry. According to Ford, its hydropower allocations are the reason that management decided to keep this plant open. The company invested more than $200 million in the plant in the past few years as part of this plan, bringing production of the new Edge to this facility, as well as the new Flex. However, Ford must continue to streamline itself and implement further productivity improvements in order to remain viable. A strategic plan has been embarked on to invest in new markets and new products, which will hopefully bring the company back to profitability.

Recommendation: Staff recommends that the Trustees refresh Ford's employment commitments to 950 jobs for all of its hydropower allocations.

General Motors Powertrain – Tonawanda Engine Plant, Tonawanda, Erie County

Allocation: 20,700 kW of EP and 2,725 kW of RP
Jobs Commitment: 1,600 jobs

Background: GM's Tonawanda facility is one of the company's most efficient engine plants worldwide. Despite the company's bankruptcy filing, this facility managed to escape being closed, which has been the fate of 14 other GM plants in the past two years. Nonetheless, employment will be significantly reduced from its current level of 871 employees to 500 employees, or 43%, by the end of 2013. By comparison, in 1989, GM was one of the area's largest employers, with 4,350 employees. At late as 2003, the plant supported 3,400 jobs. The loss of jobs is directly related to the phase-out of two major product lines: the V-6, which accounted for 43% of GM's total sales in 2008, and the V8 engine, manufactured for medium- sized trucks.

Recommendation: Staff recommends that the Trustees refresh GM Powertain – Tonawanda Engine Plant's employment commitments to 500 jobs for all of its hydropower allocations.

<u>TitanX Engine Cooling, Inc. ('TitanX')</u>, Jamestown, Chautauqua County

Allocation: 1,000 kW of EP
Jobs Commitment: 500 jobs

Background: TitanX manufactures engine-cooling parts for the trucking industry. With customers such as GM, Ford, Freightliner, Mack and Volvo, the slowdown in the U. S. transportation market had a negative impact on employment levels at TitanX.

Recommendation: Staff recommends that the Trustees refresh TitanX's employment commitment to 310 jobs for its EP allocation.

Section II.
<u>Allocations to Continue with Job Commitment Changes for Productivity Improvements</u>

"A company may request a productivity review to have its job commitment reduced if the reduction in employment is due to increased efficiency or improved technology. Relocation of specific activities away from the facility and employment reductions made due to reduced production or sales volume will not be considered increased efficiency, improved technology or productivity improvements.

"A recommendation to lower a customer's job commitment due to productivity improvements is made when:

1. The customer submits documentation of procedural or operational change; and

2. Staff conducts a site visit to verify the improvement(s) and the resulting reduction(s) in jobs.

"The most common types of productivity improvements are automation, job consolidation, rebalancing and new process/design change.

"Automation reduces employment by increasing efficiency or improving technology. Job consolidation and rebalancing are similar improvements – job consolidation eliminates one job by assigning its duties to another job, while rebalancing redistributes work among many jobs while eliminating one or two jobs. New process/design change is a new method of doing something or a new design for a part that requires fewer workers to produce the same amount of work or product. A summary of the four customers discussed in this section is provided in Exhibit '2c-B.' Brief descriptions of these companies follow.

<u>E. I. Du Pont De Nemours & Co., Inc. ('DuPont')</u>, Niagara Falls, Niagara County

Allocation: 3,000 kW of RP, 790 kW of EP and 31,700 kW of RP
Jobs Commitment: 238 base jobs and 30 created jobs, 238 jobs and 185 jobs, respectively

Background: DuPont has been in the chemicals business for more than 200 years and has been producing sodium chloride and lithium at this plant for more than 100 years. The 790 kW and 31.70 MW allocations are 'vintage' contracts, with an 80% job ratio and a two-year job average. For the past two years, DuPont averaged 251 jobs, i.e., 105% and 136% of its contractual commitments, respectively. For the past year, the company averaged 247 jobs, i.e., 104% of its contractual commitment (the 30 jobs are not up for review yet). DuPont was able to reduce eight jobs due to productivity improvements in 2008 through new automated equipment handling of the lithium production raw material feed system.

Recommendation: Staff recommends that the Trustees reduce DuPont's employment commitments for its 3,000 kW, 790 kW EP and 31,700 kW RP allocations by 8 jobs, to 230 base jobs and 30 created jobs, 230 jobs and 177 jobs, respectively.

<u>International Imaging Materials, Inc. ('International Imaging')</u>, Amherst, Erie County

Allocation: 250 kW of RP, 1,000 kW and 1,250 kW of EP
Jobs Commitment: 450 jobs, 556 jobs and 393 jobs, respectively

Background: International Imaging, in business since the mid-1980s, manufactures thermal transfer ribbons. For the past year, International Imaging averaged 372 jobs, i.e., 83%, 67% and 95%, respectively, of its contractual commitments. In 2007, the company's employment level fell due to tough competition and a steep decline in the price of its core product line. To help ensure the company's health, International Imaging's strategy is to diversify and expand its current product line, as well as acquire other companies. International Imaging's capital investments in productivity improvements have allowed it to remain globally competitive. The company requested a productivity improvement reduction of its employment commitments by 57 jobs due to installation of new equipment (16 jobs), rebalancing job duties (17 jobs) and new processes (24 jobs).

Recommendation: Staff recommends that the Trustees reduce International Imaging's RP allocation employment commitment by 57 jobs to 393 jobs and the company's 1 MW EP allocation employment commitment by 57 jobs to 499 jobs, as well as the company's 1.25 MW EP allocation employment commitment by 57 jobs to 336 jobs.

<u>Quebecor World Buffalo, Inc. ('Quebecor')</u>, Depew, Erie County

Allocation: 4,000 kW and 1,000 kW of EP
Jobs Commitment: 822 jobs and 1,027 jobs, respectively

Background: Quebecor has been in business under various names and owners since the late 1800s. The company manufactures paperback books, magazines and tab-size inserts. For the past year, Quebecor averaged 675 jobs; however, the EP allocations are 'vintage' contracts, with an 80% job ratio and a two-year job average. The two-year average is 717 jobs, i.e., 87% and 70% of the company's commitments, respectively. Quebecor underwent a productivity improvement and capital investment project in 2008, installing horizontal stackers on two photopolymer presses. These new automated stackers resulted in a reduction of 12 jobs. These changes help Quebecor to remain competitive and cost efficient.

Recommendation: Staff recommends that the Trustees reduce Quebecor's 4,000 kW EP and 1,000 kW EP allocation job commitments by 12 jobs to 810 jobs and 1,015 jobs, respectively.

<u>Saint-Gobain Structural Ceramics ('Saint-Gobain')</u>, Niagara Falls, Niagara County

Allocation: 3,450 kW, 300 kW, 1,400 kW and 1,000 kW of RP
Jobs Commitment: 125 jobs, 171 base jobs and 7 created jobs, 168 base jobs and 18 created jobs, and 182 base jobs and 17 created jobs (not required to report this allocation in 2008), respectively

Background: Saint-Gobain manufactures silicon carbide materials, primarily for armor products. For the past year, Saint-Gobain averaged 180 jobs, i.e., 144%, 105% and 107%, respectively, of its contractual commitments. 2008 was a good year for the company. However, Saint-Gobain always looks for ways to streamline its processes to stay competitive. The company requested a productivity improvement reduction of its employment commitments by 15 jobs due to rebalancing of job duties, job combinations and new equipment. Of the 15 jobs requested, only 13 job reductions qualified as actual productivity improvements.

Recommendation: Staff recommends that the Trustees reduce Saint-Gobain's 3,450 RP allocation's job commitment by 13 jobs to 112 jobs, the 300 kW RP allocation's job commitment by 13 jobs to 158 base jobs and 7 created jobs, the 1,400 kW RP allocation's job commitment by 13 jobs to 155 base jobs and 18 created jobs and the 1 MW RP allocation's job commitment by 13 jobs to 169 base jobs and 17 created jobs.

Section III
Allocations to Continue with No Change

"This annual review of hydropower allocation job commitments covers the period from January through December 2008. Staff recommends that the Trustees take no action on 18 companies not meeting their commitments, as discussed below and listed in Exhibit '2c-C.'

Bernzomatic/IRWIN Industrial Tool Company ('Bernzomatic'), Medina, Orleans County

Allocation: 750 kW of EP
Jobs Commitment: 247 jobs

Background: Bernzomatic manufactures torches and distributes torches and gas. Additionally, the company sells gas matches, patio heaters and gas. For the past year, Bernzomatic averaged 202 jobs, i.e., 82% of its commitment. Bernzomatic had a significant reduction in workforce in June 2008 due to the economic downturn in the housing market and the reduced demand for torches.

Recommendation: Staff recommends that the Trustees take no action at this time.

BMP America, Inc. ('BMP'), Medina, Orleans County

Allocation: 120 kW of RP
Jobs Commitment: 120 base jobs with 10 created jobs

Background: BMP, incorporated in 1982, specializes in the design and manufacture of textile-related components used in business machines, with customers such as Xerox, Kodak, Hewlett-Packard, IBM and Heidelberg. For the past year, BMP averaged 94 jobs, i.e., 79% of its commitment. The company is transitioning into the consumer appliance market, particularly, laundry dryers, which is directly tied to consumer spending and the housing market. Since demand has been significantly down due to the recession, BMP has had to lay off workers. Additionally, demand for the company's products in the business machine market has been down as well. BMP is very optimistic that it is poised to do well once the economy begins to recover; however, it does not foresee meeting its employment commitment in 2009 due to the recession.

Recommendation: Staff recommends that the Trustees take no action at this time.

C & S Wholesale Grocers, Inc. ('C&S'), Lancaster, Erie County

Allocation: 550 kW of EP
Jobs Commitment: 682 jobs

Background: C&S has been providing warehousing and distribution services to supermarket chains, independent grocers and military facilities across the nation for more than 85 years. C&S entered Western New York in 2002, when it entered into an agreement with Tops Markets, Martins and other local grocery stores. For the past year, C&S averaged 572 jobs, i.e., 84% of its contractual commitment. C&S was below its commitment in 2008 because its largest customer, Tops Markets, is suffering from the recession and the employment level reflects this reality. Tops Markets is working hard to rebuild its brand after restructuring in 2008. C&S is poised to have good employment growth once the economy improves, which the company forecasts to be in 2010.

Recommendation: Staff recommends that the Trustees take no action at this time.

Contract Pharmaceuticals Limited Niagara ('CPL'), Buffalo, Erie County

Allocation: 250 kW of RP
Jobs Commitment: 329 jobs

Background: CPL, a Canadian company, purchased Bristol-Myers Squibb's facility in 2005 and manufactures dry skin, anti-inflammatory and anti-fungal dermatological products, in addition to various cold medicines under contract for other companies. For the past year, CPL averaged 284 jobs, i.e., 86% of its contractual commitment. After a couple of years of large growth, CPL was proud to have maintained stable employment levels throughout 2008, given the slowdown in the economy. The company is optimistic about its continued growth and expects to report increased employment in the next report.

Recommendation: Staff recommends that the Trustees take no action at this time.

Greatbatch, Inc. ('Greatbatch'), Clarence, Erie County

Allocation: 1,500 kW of EP
Jobs Commitment: 325 base jobs and 43 created jobs

Background: Greatbatch, founded in 1970, designs, develops and manufactures batteries, capacitors, EMI filters, coated electrodes, stimulation leads, catheters, introducers and assemblies that are used in the implantable medical industry. For the past year, Greatbatch averaged 289 jobs, i.e., 89% of its contractual commitment. Employment was lower in 2008 due to an unforeseen drop in demand for implantable medical devices in the first half of 2008 and a transfer of the sales and marketing team to the new corporate headquarters. However, the market did improve and employment grew in the second half of 2008. With new employees and transferred ones combined, employment is in the original projected range. Greatbatch met its commitment in the last quarter of 2008.

Recommendation: Staff recommends that the Trustees take no action at this time.

Honeywell International ('Honeywell'), Buffalo, Erie County

Allocation: 300 kW of RP
Jobs Commitment: 168 jobs

Background: Honeywell, formerly Allied-Signal Inc., has been a research and development lab since the early 1900s. Honeywell develops and produces atmospherically safe fluorocarbons. For the past year, Honeywell averaged 139 jobs, i.e., 83% of its contractual commitment. Honeywell grew steadily from 2002 through 2007 and 2008 is only slightly lower than 2007's employment level. Based on current economic conditions, the company expects to remain at its current employment level through 2009 but is hopeful that the facility will grow in the years ahead.

Recommendation: Staff recommends that the Trustees take no action at this time.

Ingram Micro Corporation ('Ingram'), Williamsville, Erie County

Allocation: 900 kW of EP
Jobs Commitment: 1,525 jobs

Background: Ingram is a leading wholesale distributor of microcomputer products worldwide, including hardware, software and networking equipment. For the past year, Ingram averaged 1,293 jobs, i.e., 85% of its job commitment. The company has invested millions over the past few years to keep the facility state of the art and competitive, which has helped fuel employment growth in the past year. Ingram is poised to grow even further as the economy improves.

Recommendation: Staff recommends that the Trustees take no action at this time.

<u>International Imaging Materials, Inc. ('International Imaging')</u>, Amherst, Erie County

Allocations: 1,000 kW of EP and 250 kW of RP
Jobs Commitments: 449 jobs and 393 jobs, respectively

Background: International Imaging, in business since the mid-1980s, manufactures thermal transfer ribbons. For the past year, International Imaging averaged 372 jobs, i.e., 67% and 83% of its contractual commitments, respectively. In 2008, International Imaging saw employment levels fall due to productivity improvements made during the year, as well as the economic crisis, causing a downturn in business.

Recommendation: Staff recommends that the Trustees take no action at this time.

<u>Lakeside Warehouse Corporation/The Carriage House Companies ('Lakeside')</u>, Dunkirk, Chautauqua County

Allocation: 500 kW of EP
Jobs Commitment: 199 jobs

Background: Lakeside, in business since 1988, is a storage facility for both raw materials and finished products associated with syrups. For the past year, Lakeside averaged 165 jobs, i.e., 83% of its contractual commitment. The Lakeside facility in Dunkirk is very close to the Red Wing facility in Fredonia and Carriage House considers it one entity for employment purposes, with workers shifting from one facility to the other. As specific needs arise, the manufacturing capabilities of each facility determine the company's employment levels and the facility where personnel spend the majority of their time is where they are reported. So, while Dunkirk's average was 14 jobs below its commitment, Fredonia's average was 53 jobs above the commitment; the combined commitment would be 639 jobs, with the company's actual jobs at 658.

Recommendation: Staff recommends that the Trustees take no action at this time.

<u>Lockheed Martin ('Lockheed')</u>, Niagara Falls, Niagara County

Allocation: 250 kW of RP
Jobs Commitment: 45 jobs

Background: Lockheed manufactures gravity gradiometer technology for the U. S. Navy and commercial use. For the past year, Lockheed averaged 38 jobs, i.e., 85% of its contractual commitment. Lockheed expected to grow in 2008 but the economic crisis had a significant impact on the company's orders. The company managed to roughly maintain the same employment levels as the year before. Lockheed is optimistic that it will capture a few new contracts and that the economy will see some improvement in 2009. The company foresees some employment growth by the fourth quarter.

Recommendation: Staff recommends that the Trustees take no action at this time.

<u>Luvata Buffalo, Inc. ('Luvata')</u>, Buffalo, Erie County

Allocation: 250 kW of RP
Jobs Commitment: 831 jobs

Background: Luvata, formerly Outokumpu American Brass or OAB Holdings, Inc., in business since 1906, manufactures copper and brass sheets and rolls. For the past year, Luvata averaged 589 jobs, i.e., 71% of its contractual commitment. The company attributes its decline in business to the economic downturn and expects business and employment to increase once the economy rebounds.

Recommendation: Staff recommends that the Trustees take no action at this time.

Niagara Ceramics Corporation ('Niagara Ceramics'), Buffalo, Erie County

Allocations: 250 kW and 600 kW of RP and 250 kW of EP
Jobs Commitments: 190 jobs each

Background: Niagara Ceramics Corporation ('Niagara Ceramics'), founded in 2003, purchased the majority of Buffalo China's manufacturing assets and produces dinnerware. For the past year, Niagara Ceramics averaged 101 jobs, i.e., 53% of its commitments. As part of the purchase agreement between Niagara Ceramics and Buffalo China's parent company, Oneida Ltd., Niagara Ceramics agreed to a non-competition covenant with certain exceptions, with Oneida being obligated to purchase a set amount of product from Niagara Ceramics for five years, at decreasing levels each year, at a fixed price. The company has suffered due to rising production costs; Oneida's decreasing purchase obligation and the non-competition provision. Though the company is at an all time low, it is poised to spring back fully with the non-competition agreement expiring in March 2009. The chain restaurant accounts, such as Outback and Olive Garden, have begun, with Outback's first delivery occurring in February. The economy is dampening business prospects a bit, but due to the closing of a competitor, and former Authority customer, Syracuse China, Niagara Ceramics will be picking up business. The company expects to expand this year and be heading back to the range of meeting its commitments by the end of 2009.

Recommendation: Staff recommends that the Trustees take no action at this time.

Nuttall Gear Company ('Nuttall'), Niagara Falls, Niagara County

Allocation: 350 kW of RP
Jobs Commitment: 135 jobs

Background: Nuttall, started in 1983 from a leveraged buy-out of Westinghouse's Electric Gear division, manufactures enclosed gear drives for industrial, commercial, transportation and utility applications. For the past year, Nuttall averaged 103 jobs, i.e., 76% of its commitment. Nuttall's below-commitment reporting is a direct result of the economic downturn. The company is doing all it can to maintain its current employment level and expects employment to rebound appropriately as the economy begins to rebound.

Recommendation: Staff recommends that the Trustees take no action at this time.

Precious Plate, Inc., Niagara Falls, Niagara County

Allocation: 800 kW of RP
Jobs Commitment: 145 jobs

Background: Precious Plate, Inc. ("Precious"), established in 1973, provides leading-edge electroplating services to high-tech companies, primarily for computers, cell phones and phone-switching gear. For the past year, Precious averaged 125.92 jobs, i.e., 86.84% of its commitment. The company had a good year in 2008 and was on target to meet its employment commitment for the year except the downturn in the economy affected business and staffing levels beginning in December. Though the economy is still affecting business, Precious foresees a good year overall for 2009, with hiring beginning again in the 3rd Quarter. The company has new business with parts that fit into its current manufacturing operation. New equipment has been installed to manufacture product for solar cells. The new business is beginning to grow and Precious foresees even more new customers providing significant new business this year. The company anticipates a positive 2009 that should bring employment up towards meeting commitment.

Recommendation: Staff recommends that the Trustees take no action at this time.

Quebecor World Buffalo, Inc. ('Quebecor'), Depew, Erie County

Allocation: 1,000 kW of EP
Jobs Commitment: 1,015 jobs

Background: Quebecor, in business under various names and owners since the late 1800s, manufactures paperback books, magazines and tab-size inserts. For the past year, Quebecor averaged 675 jobs; however, the EP allocation is a 'vintage' contract, with an 80% job ratio and a two-year job average. The two-year average is 717 jobs, i.e., 70% of the company's commitment. Quebecor's employment decreased in 2008 due to loss of customers and decreased orders from customers, which resulted in decreased volume. Additionally, the company implemented productivity improvements that require fewer workers.

Recommendation: Staff recommends that the Trustees take no action at this time.

TAM Ceramics, LLC ('TAM'), Niagara Falls, Niagara County

Allocations: 7,000 kW, 1,700 kW and 600 kW of RP and 2,100 kW of EP
Jobs Commitments: 147 jobs, then 152 jobs each

Background: TAM is a supplier of dielectric powder to the passive electronic component industry and zirconia-based ceramic powders to industry. For the past year, TAM averaged 52 jobs (i.e., 34; however, the 7 MW and 2.1 MW allocations are 'vintage' contracts, with an 80% job ratio and a two-year job average. The two-year average is 74 jobs, i.e., 50% and 48% of the company's commitments. Business from the beginning of 2008 through the end of the third quarter doubled and then the economic downturn hit the company's business, and in turn, employment. However, two large contracts were signed in 2008 that should add 43 employees soon. Additionally, R&D is focusing on new fuel cell development, thermoelectric materials and material for the solar power industry, which should, hopefully, add new business as well.

Recommendation: Staff recommends that the Trustees take no action at this time.

Tulip Corporation ('Tulip'), Niagara Falls, Niagara County

Allocations: 300 kW of EP and 1,200 kW of RP
Jobs Commitments: 110 jobs and 122 jobs respectively

Background: Tulip, an injection-molding company, recycles rubber and plastic and manufactures battery cases for the major battery manufacturers. For the past year, Tulip averaged 83 jobs, i.e., 76% of its commitment. The RP allocation is a 'vintage' contract, with an 80% job ratio and two-year job average. The two-year average is 75 jobs, i.e., 61% of the company's commitment. The company grew and employment increased significantly in 2008. Tulip is aggressively pursuing growth in its reprocessed material line, emerging industrial jar market and the plastic lumber business. The company is optimistic that its continued growth will help it meet its job commitments once again.

Recommendation: Staff recommends that the Trustees take no action at this time.

Washington Mills Electro Minerals Corp. ('Washington Mills'), Niagara Falls, Niagara County

Allocation: 9,700 kW of RP
Jobs Commitment: 171 jobs

Background: Washington Mills manufactures abrasive grains for sandpaper and grinding wheels. For the past year, Washington Mills averaged 145 jobs, i.e., 85% of its job commitment. The company is only a few jobs below its commitment. Unfavorable market conditions in most of its key businesses in 2008 resulted in reduced sales volume, which led to the reduction in jobs. Washington Mills anticipates further declines and does not expect employment levels to increase this year.

Recommendation: Staff recommends that the Trustees take no action at this time.

ZEMCO Industries dba Tyson Retail Deli ('Tyson'), Buffalo, Erie County

Allocation: 500 kW of EP
Jobs Commitment: 502 jobs

Background: Tyson, at this location since 1970, manufactures a full line of processed meats for delicatessens and supermarkets. Tyson is the largest processed meat manufacturer in New York. For the past year, Tyson averaged 408 jobs, i.e., 81% of its commitment. 2008 was a year of change at Tyson. The facility lost its hot dog production line and associated workers, which dropped employment to near-record lows. However, Tyson added two sausage lines to use the hot dog equipment and added several ham lines and slicing products, which have the facility now running at full capacity. The company is now near its job commitment.

Recommendation: Staff recommends that the Trustees take no action at this time.

RECOMMENDATION

"The Director – Marketing Analysis and Administration recommends that the Trustees refresh the employment commitments for 7 customers in the automotive industry, as described above and set forth in Exhibit '2c-A'; adjust the future job commitment levels for 4 companies that have made productivity improvements, as listed in Exhibit '2c-B' and take no action on 19 customers, as described above and set forth in Exhibit '2c-C.'

The Chief Operating Officer, the Executive Vice President and General Counsel, the Senior Vice President – Marketing and Economic Development and I concur in the recommendation."

The following resolution, as submitted by the President and Chief Executive Officer, was unanimously adopted.

> **RESOLVED, That the Authority hereby refreshes the employment commitments for seven companies, adjusts the job commitments for four customers due to productivity improvements and defers action with respect to 19 companies described in the foregoing report of the President and Chief Executive Officer and set forth in Exhibits "2c-A," "2c-B" and "2c-C"; and be it further**
>
> **RESOLVED, That the Director – Marketing Analysis and Administration is hereby authorized to provide written notice to the companies whose job commitments are being reduced; and be it further**
>
> **RESOLVED, That the Chairman, the Vice Chairman, the President and Chief Executive Officer, the Chief Operating Officer and all other officers of the Authority are, and each of them hereby is, authorized on behalf of the Authority to do any and all things, take any and all actions and execute and deliver any and all agreements, certificates and other documents to effectuate the foregoing resolution, subject to the approval of the form thereof by the Executive Vice President and General Counsel.**

June 30, 2009
Exhibit "2c-A"

ALLOCATIONS IN AUTO INDUSTRY WITH REFRESHED EMPLOYMENT COMMITMENTS

Company	Location	Total Allocation (kW)	Current Employment Commitment	Current Jobs/ mW	Refreshed Employment Commitment	Refreshed Jobs/ mW
American Axle & Mfg Inc.	Cheektowaga	2,400	159	66	60	25
Brunner International, Inc.	Medina	5,500	341	62	160	29
Curtis Screw Co., Inc.	Buffalo	2,100	276	131	150	71
Delphi Automotive Systems	Lockport	25,800	4,638	180	950	37
Ford Motor Company	Buffalo	8,700	1,695	194	950	109
General Motors Powertrain	Tonawanda	23,425	1,600	68	500	21
TitanX Engine Cooling, Inc.	Jamestown	1,000	500	500	310	310

June 30, 2009
Exhibit "2c-B"

ALLOCATIONS TO CONTINUE WITH JOB COMMITMENT CHANGES FOR PRODUCTIVITY IMPROVEMENTS

Company	Location	Type of Power	Allocation kW	Employment Commitment	Average 2008 Jobs	Average Annual % Achieved	Revised Commitment	Revised %
E.I. Du Pont De Nemours & Co., Inc.	Niagara Falls	EP	790	238	V 251	105%	230	109%
E.I. Du Pont De Nemours & Co., Inc.	Niagara Falls	RP	3,000	268	247	104%	260	107%
E.I. Du Pont De Nemours & Co., Inc.	Niagara Falls	RP	31,700	185	V 251	136%	177	142%
International Imaging Materials, Inc.	Amherst	RP	250	450	372	83%	393	95%
International Imaging Materials, Inc.	Amherst	EP	1,000	556	372	67%	499	75%
International Imaging Materials, Inc.	Amherst	EP	1,250	393	372	95%	336	111%
Quebecor World Buffalo, Inc.	Depew	EP	1,000	822	V 717	87%	810	89%
Quebecor World Buffalo, Inc.	Depew	EP	4,000	1,027	V 717	70%	1,015	71%
Saint-Gobain – Structural Ceramics	Niagara Falls	RP	3,450	125	180	144%	112	161%
Saint-Gobain – Structural Ceramics	Niagara Falls	RP	300	178 (171)	180	105%	165 (158)	114%
Saint-Gobain – Structural Ceramics	Niagara Falls	RP	1,400	182 (168)	180	107%	169 (155)	116%
Saint-Gobain – Structural Ceramics	Niagara Falls	RP	1,000	199 (182)	--	--	186 (169)	--

EP = Expansion Power **RP** = Replacement Power **V** = Vintage allocation – 2-year average

ALLOCATIONS TO CONTINUE WITH NO CHANGE

Company	Location	Date of Trustee Approval	Type of Power	Allocation kW	Employment Commitment (# of jobs)	Average 2008 Jobs	Average Annual % Achieved
Bernzomatic/Irwin Industrial Tools	Medina	Nov 06	EP	750	247	202	82
BMP America, Inc.	Medina	Mar 05	RP	120	120	94	79
C & S Wholesale Grocers, Inc.	Lancaster	Oct 90	EP	550	682	572	84
Contract Pharmaceuticals Limited	Buffalo	Apr. 91	RP	250	329	284	86
Greatbatch, Inc.	Clarence	Apr 04	EP	1,500	325	289	89
Honeywell International	Buffalo	Apr 89	RP	300	168	139	83
Ingram Micro Corporation	Williamsville	Sep 97	EP	900	1,525	1,293	85
International Imaging Materials, Inc.	Amherst	Jan 89	RP	250	450	372	83
International Imaging Materials, Inc.	Amherst	Mar 95	EP	1,000	556	372	67
Lakeside Warehouse Corporation	Dunkirk	May 99	EP	500	199	165	83
Lockheed Martin	Niagara Falls	Feb 93	RP	250	45	38	85
Luvata Buffalo, Inc.	Buffalo	Apr 94	RP	250	831	589	71
Niagara Ceramics Corporation	Buffalo	Jan 89	RP	250	190	101	53
Niagara Ceramics Corporation	Buffalo	Jan 94	RP	600	190	101	53
Niagara Ceramics Corporation	Buffalo	Mar 04	EP	250	190	101	53
Nuttall Gear Company	Niagara Falls	Feb 93	RP	350	135	116	86
Precious Plate, Inc.	Niagara Falls	Jun 02	RP	800	145	126	87
Quebecor World Buffalo, Inc.	Depew	Jul 00	EP Vintage	1,000	1,027	717	70
TAM Ceramics, LLC	Niagara Falls	Apr 94	RP	1,700	152	52	34
TAM Ceramics, LLC	Niagara Falls	Jan 89	RP	600	152	52	34
TAM Ceramics, LLC	Niagara Falls	Dec 88	EP Vintage	2,100	152	77	48
TAM Ceramics, LLC	Niagara Falls	Oct 59	RP Vintage	7,000	147	74	50
Tulip Corporation	Niagara Falls	Oct 90	EP	300	110	83	76
Tulip Corporation	Niagara Falls	May 61	RP Vintage	1,200	122	75	61
Washington Mills Electro Minerals	Niagara Falls	Dec 86	RP	9,700	171	150	88
ZEMCO Industries dba Tyson Retail	Buffalo	Jun 01	EP	500	502	408	81

d. Municipal and Rural Electric Cooperative Economic Development Program – Allocation to the City of Sherrill

The President and Chief Executive Officer submitted the following report:

SUMMARY

"The Trustees are requested to approve an allocation of 1,000 kW of hydropower under the Municipal and Rural Electric Cooperative Economic Development Program ('Program') to the City of Sherrill.

BACKGROUND

"The 1991 amendment to the power sales agreement between the Authority and the Municipal and Rural Electric Cooperative Systems sets aside a block of 54 MW from the 752 MW of hydropower allocated to the systems for economic development in the systems' service territories. The total allocation was increased to 764.8 MW as a result of additional power resulting from the Niagara Project upgrade.

"Power from this block can be allocated to individual systems to meet the increased electric load resulting from eligible new or expanding businesses in their service area. Recommended allocations under the Program will now be made using guidelines that were approved by the Trustees on September 23, 2008. Under the revised program, the first 100 kW allocated will be from 100 % hydropower and any additional kW at 50% hydropower and 50% incremental power.

"As of December 16, 2008, 20,185 kW have been allocated. The City of Sherrill has submitted an application for power under the Program for consideration by the Trustees.

DISCUSSION

"An application has been submitted by the City of Sherrill to the Authority on behalf of Tibro Water Technologies, Ltd. ('Tibro'). Tibro is a private Canadian company owned by the Chandaria family. The Chandaria family has been in the chemical trading and manufacturing business in East Africa for more than 35 years.

"The most common methodology to create bleach is to combine pressurized chlorine gas with caustic soda. This system is inherently dangerous, as storage and transport of large quantities of chlorine gas are needed. Tibro's process, on the other hand, works by creating bleach directly from salt, an inert and safe raw material. Tibro's model is to install and operate an appropriately sized, safe, cost-effective and scalable bleach plant in the City of Sherrill.

"The Trustees had previously approved an allocation for the Village of Frankfort, on behalf of Tibro at their January 27, 2009 meeting. However, contamination was found underneath a slab of a building Tibro wanted to occupy in Frankfort. Tibro's management decided then not to open operations in Frankfort due to the high level of uncertainty surrounding the environmental work needed to be done at the site.

"The company is attracted to Sherrill because of its low-cost power and proximity to Tibro's customers and their distribution centers.

"Tibro is planning to invest approximately $3.4 million on this project, including leasing a 75,000-square-foot facility and purchasing machinery and equipment. It is also expected to create 54 full-time jobs over the next three years. The estimated electrical monthly load for the fully operational facility is expected to peak at 2 MW.

"It is recommended that the Trustees approve an allocation of 1,000 kW of Economic Development Power for the City of Sherrill on behalf of Tibro. This allocation is equivalent to 54 jobs per MW of hydropower. Per the program guidelines, a minimum of 50 jobs per MW of hydropower should be attained.

"In accordance with the Authority's marketing arrangement with the municipal and cooperative customers, the hydropower will be added to the recipient system's contract demand at the time the project becomes operational and the additional jobs and load commitments are reached. The hydropower earmarked for this program is presently sold to the municipal and rural electric cooperative customers on a withdrawable basis.

RECOMMENDATION

"The Manager – Market Analysis and Tariff Administration and the Director – Marketing Analysis and Administration recommends that the Trustees approve the allocation of power under the Municipal and Rural Electric Cooperative Economic Development Program to the City of Sherrill in accordance with the above.

"The Chief Operating Officer, the Executive Vice President and General Counsel, the Senior Vice President – Marketing and Economic Development and I concur in the recommendation."

The following resolution, as submitted by the President and Chief Executive Officer, was unanimously adopted.

> **RESOLVED, That an allocation of power to the City of Sherrill under the Municipal and Rural Electric Cooperative Economic Development Program is hereby approved as set forth in the foregoing report of the President and Chief Executive Officer; and be it further**
>
> **RESOLVED, That the Senior Vice President – Marketing and Economic Development or his designee be, and hereby is, authorized to execute any and all documents necessary or desirable to effectuate this allocation, subject to the approval of the form thereof by the Executive Vice President and General Counsel; and be it further**
>
> **RESOLVED, That the Chairman, the Vice Chairman, the President and Chief Executive Officer, the Chief Operating Officer and all other officers of the Authority are, and each of them hereby is, authorized on behalf of the Authority to do any and all things, take any and all actions and execute and deliver any and all agreements, certificates and other documents to effectuate the foregoing resolution, subject to the approval of the form thereof by the Executive Vice President and General Counsel.**

e. Niagara Relicensing, Niagara Frontier Transportation Authority and Metropolitan Transportation Authority Customers – Service Tariff Amendments – Notice of Adoption

The President and Chief Executive Officer submitted the following report:

SUMMARY

"The Trustees are requested to approve amendments to the Authority's current production service tariffs applicable to its Niagara Relicensing, Niagara Frontier Transportation Authority ('NFTA') and Metropolitan Transportation Authority ('MTA') customers. Staff recommends that changes to the Authority's tariffs for firm hydroelectric power and energy from the Niagara and St. Lawrence/FDR Power Projects and served under Service Tariffs HC-1, TN-1, NP-1, ST-37 and ST-8, each attached as Exhibits '2e-A' through '2e-E,' respectively, become effective on July 1, 2009.

BACKGROUND

"At their March 31, 2009 meeting, the Trustees authorized the Corporate Secretary to file a Notice of Proposed Rulemaking ('NOPR') with the New York State Department of State for publication in the *New York State Register* that the Authority proposed to amend service tariffs applicable to its Niagara Relicensing, NFTA and MTA customers. These amendments were needed to include certain standard provisions now applicable to all Authority service tariffs and updated terminology and to improve the organization and formatting.

"The NOPR was published in the *New York State Register* on April 15, 2009. In addition, Niagara Relicensing, NFTA and MTA customers were notified of the proposed service tariff amendments and invited to review the materials and submit comments. In accordance with the State Administrative Procedure Act ('SAPA'), interested parties were afforded a 45-day comment period. The public comment period closed on June 1, 2009.

DISCUSSION

"No written comments were received during the statutory comment period. Staff recommends that the amended service tariffs become effective at the start of the first billing period subsequent to the Trustees' approval, which is July 1, 2009.

FISCAL INFORMATION

"Adoption of the proposed revisions to the Niagara Relicensing, NFTA and MTA service tariffs will have no financial impact. The changes proposed are administrative in nature and have no effect on current production rates.

RECOMMENDATION

"The Manager – Market Analysis and Tariff Administration recommends that the attached amended service tariffs for the Authority's Niagara Relicensing, NFTA and MTA customers be approved and that the Trustees authorize the Corporate Secretary to file a Notice of Adoption with the New York State Department of State for publication in the *New York State Register* in accordance with the State Administrative Procedure Act. The requested effective date of these tariffs is July 1, 2009.

"It is also recommended that the Senior Vice President – Marketing and Economic Development, or his designee, be authorized to issue a notice of final action to the affected customers.

"The Chief Operating Officer, the Executive Vice President and General Counsel, the Senior Vice President – Marketing and Economic Development, the Director – Marketing Analysis and Administration and I concur in the recommendation."

The following resolution, as submitted by the President and Chief Executive Officer, was unanimously adopted.

> **RESOLVED, That the Trustees adopt the amendments to the service tariffs applicable to the Authority's Niagara Relicensing, Niagara Frontier Transportation Authority and Metropolitan Transportation Authority customers, as set forth in the foregoing report of the President and Chief Executive Officer; and be it further**
>
> **RESOLVED, That the Corporate Secretary of the Authority be, and hereby is, directed to file a Notice of Adoption for publication in the *New York State Register* in accordance with the State Administrative Procedure Act; and be it further**
>
> **RESOLVED, That the Corporate Secretary of the Authority be, and hereby is, directed to submit such other notice(s) as may be required by statute or regulation concerning the adoption of the service tariff amendments; and be it further**
>
> **RESOLVED, That the Chairman, the Vice Chairman, the President and Chief Executive Officer, the Chief Operating Officer and all other officers of the Authority are, and each of them hereby is, authorized on behalf of the Authority to do any and all things and take any and all actions and execute and deliver any and all certificates, agreements and other documents to effectuate the foregoing resolution, subject to the approval of the form thereof by the Executive Vice President and General Counsel.**

June 30, 2009
Exhibit "2e-A"

POWER AUTHORITY OF THE STATE OF NEW YORK
30 SOUTH PEARL STREET
ALBANY, NY 12207

Electric Service Tariff for Host Communities
Firm Hydroelectric Power Service

Service Tariff No. HC-1

Issued by James H. Yates, Senior Vice President
Power Authority of the State of New York
30 South Pearl Street, Albany, NY 12207

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Schedule of Rates for Firm Hydroelectric Power and Energy Service

I. Applicability

To sale of Niagara Hydroelectric Project firm power and energy to the Host Communities customers and/or their Authorized Recipients eligible for cost-based service under the Niagara Relicensing Settlement Agreement.

II. Abbreviations and Terms

A. The following abbreviations are used:

kW	kilowatt(s)
kWh	kilowatt-hour(s)
NYPA	New York Power Authority
NYISO	New York Independent System Operator

B. The term "Agreement" means contract for the Sale of Niagara Project Power and Energy between Authority and Customer.

C. The term "Authority" means New York Power Authority, an alternative name for the Power Authority of the State of New York.

D. The term "Customer" means a Host Community defined in the Agreement.

E. The term "Customer's Agent" may include, without limitation, a public utility, Load Service Entity, Municipal Distribution Agency, load aggregator or other entity authorized to purchase, sell and/or deliver or cause to be delivered electric power and/or energy pursuant to Section 360 of the General Municipal Law or pursuant to other authority.

F. The term "Power" or "Firm Hydroelectric Power" means capacity (kW) from Project, intended to be available at all times except for limitations provided in the Agreement(s), the Rules, this Service Tariff or in other contract documents. Firm Power shall not include peaking power.

G. The term "Energy" or "Firm Hydroelectric Energy" means energy (kWh) associated with Firm Hydroelectric Power.

H. The term "Project" means the Authority's Niagara Hydroelectric Project.

I. The term “Rules” means Authority's Rules and Regulations for Power Service (Part 454 of Chapter X of Title 21 of the Official Compilation of Codes, Rules and Regulations of the State of New York, 21 NYCRR § 454) as now in effect and as may be later amended from time to time by Authority.

J. The term “Service Tariff” means this Service Tariff No. HC-1.

III. Monthly Rates and Charges

A. Monthly Base Rates

The monthly demand and energy charges paid by Customer to Authority shall be based on the preference power rates charged by Authority, as shown below.

Effective Date	Demand Rate $/kW-month	Energy Rate Mills/kWh
5/1/2008	2.96	4.92

The demand and energy rates set forth above shall apply at the Project switchyard and the energy rate shall be subject to a monthly adjustment in accordance with a Flow Adjustment Computation (FAC) as described in Section V.

B. Minimum Monthly Charge

The product of the demand rate set forth above and the contract demand.

C. Billing Energy

Energy provided by Authority under this Service Tariff.

D. Billing Period

Any period of approximately thirty (30) days, generally ending with the last day of each calendar month.

E. Contract Demand

The amounts set forth in the applicable Agreement(s) between Authority and Customer.

F. NYISO Transmission and Related Charges (“NYISO Charges”)

The Customer shall compensate the Authority for the following NYISO Charges assessed on the Authority, if any, for services provided by the NYISO or any successor organization pursuant to its Open Access Transmission Tariff ("OATT") or other tariffs (as the provisions of those tariffs may be amended and in effect from time to time) which are associated with

Customer's purchase of hydro power and energy under its contract for the sale of hydro power and energy with Authority:

1. Ancillary Services 1 through 6 and any new ancillary services as may be defined and included in the OATT from time to time;

2. Marginal losses;

3. The New York Power Authority Transmission Adjustment Charge ("NTAC");

4. Congestion costs, less any associated grandfathered Transmission Congestion Contracts ("TCCs") as provided in Attachment K of the OATT;

5. Any and all other charges, assessments or other amounts associated with deliveries to Customer that are assessed on the Authority by the NYISO or any successor organization under the provisions of its OATT or under other applicable tariffs; and

6. Any charges assessed on the Authority with respect to service to Customers for facilities needed to maintain reliability and incurred in connection with the NYISO's Comprehensive System Planning Process (or similar reliability-related obligations incurred by NYPA with respect to service to Customers), applicable tariffs or required to be paid by the Authority in accordance with law, whether charged by the NYISO or some other third party.

The NYISO Charges in this section are in addition to the Authority production charges that are charged to the Customer in accordance with other provisions of this Service Tariff.

G. Taxes and Other Charges

The charges under this Service Tariff shall be subject to adjustment as Authority deems necessary to recover from Customer any rates, taxes, assessments charged to Authority or any other charges mandated by federal, state and local agencies that are levied on the Authority or that the Authority is required to collect from its Customer if and to the extent such rates, charges, taxes or assessments are not recovered by Authority pursuant to another provision of this Service Tariff.

IV. General Provisions

General Provisions for service supplementing or modifying the Rules and Regulations for Power Service and this Service Tariff with regard to deliveries to Customer are as follows:

A. Character of Service

Alternating current, 60 hertz, three-phase.

B. Availability of Energy

Unless otherwise agreed upon by the parties, Authority shall normally provide in any billing period Firm Hydroelectric Energy to Customer and/or Customer's Authorized Recipient in an amount equal to the product of (a) the number of hours in such billing period, (b) the contract demand applicable in such billing period and (c) the load factor specified in the Agreement. The Authority will have the right to reduce on a pro rata basis the amount of Firm Hydroelectric Energy provided to Customer and/or Customer's Authorized Recipient if such reductions are necessary due to low flow (i.e., hydrologic) conditions at the Authority's Niagara and St. Lawrence-FDR hydroelectric generating stations. The Authority shall be under no obligation to deliver and will not deliver any such curtailed energy to Customer and/or Customer's Authorized Recipient in later billing periods. The offer of Firm Hydroelectric Energy for delivery shall fulfill Authority's obligations for purposes of this Provision whether or not the Firm Hydroelectric Energy is taken by Customer and/or Customer's Authorized Recipient. The Authority shall provide reasonable notice, to the extent possible, to Customer and Customer's Authorized Recipient of any condition or activities that could result, or have resulted, in low flow conditions consistent with the notice provided to other similarly affected customers.

Unless otherwise specified in the Agreement, where Customer is taking service solely from Authority, the billing energy shall be the total number of kilowatt-hours recorded on Customer's and/or Customer's Authorized Recipient's meter (or the meters of entities served by Customer and/or Customer's Authorized Recipient as indicated in the Agreement) during the billing period, adjusted for losses.

Unless otherwise specified in the Agreement, where Customer and/or Customer's Authorized Recipient takes service from other sources in addition to service supplied hereunder, the billing energy shall be determined by multiplying (a) the number of hours in such billing period, (b) the contract demand applicable in such billing period and (c) the load factor specified in the Agreement.

C. Adjustment of Rates

To the extent not inconsistent with the Agreement, the monthly rates and charges contained in this Service Tariff may be revised from time to time on not less than thirty (30) days written notice to Customer.

D. Adjustment of Charges

Power Factor

Not less than 95% lagging or leading, except as otherwise specified in the Agreement.

E. Delivery

For the purpose of this Service Tariff, Firm Hydroelectric Power and Energy shall be delivered by Authority at the Project switchyard to the transmission facilities under the control of the NYISO for delivery to Customer and/or Customer's Authorized Recipient.

For the purpose of this Service Tariff, Firm Hydroelectric Power and Energy shall be deemed to be offered when Authority is able to supply Firm Hydroelectric Power and Energy and NYISO transmits it to Customer and/or Customer's Authorized Recipient or its designated points of interconnection with Customer's Agent at the Project switchyard. The offer of Firm Hydroelectric Energy for delivery shall fulfill Authority's obligations for purposes of this Provision whether or not the Firm Hydroelectric Energy is taken by Customer and/or Customer's Authorized Recipient. If, despite such offer, there is a failure of delivery by Customer, Customer's Authorized Recipient, or Customer's Agent, such failure shall not be subject to a billing adjustment pursuant to Section 454.6(d) of the Rules.

F. Scheduling Procedures

1. Authority will advise Customer, and Customer's Authorized Recipient, or Customer's Agent by the tenth (10th) Business Day of the preceding month of the estimated quantity of Firm Hydroelectric Energy expected to be made available from the Project.

2. Authority may require that such Firm Hydroelectric Energy from the Project be scheduled in general accordance with the individual system load shapes of Customer, Customer's Authorized Recipient, or Customer's Agent or as otherwise agreed upon by the Customer and Authority.

3. Customer, Customer's Authorized Recipient, or Customer's Agent shall file with Authority pursuant to procedures established by Authority, a daily schedule setting forth the Customer's and/or Customer's Authorized Recipient's requested amounts from the Project on a clock hour basis.

4. Subsequent to Authority approval of schedules for any day, Authority and Customer, Customer's Authorized Recipient, or Customer's Agent may agree on changes in such schedules subject to NYISO scheduling requirements and procedures Authority shall establish such that an efficient dispatch of Authority facilities will be accomplished.

G. Payment by Customer and/or Customer's Authorized Recipient for Firm Hydroelectric Power and Energy

1. Customer and/or Customer's Authorized Recipient shall pay for Firm Hydroelectric Power and Energy during any billing period the sum of a) and b) below:

   a. The demand rate per kW for Firm Hydroelectric Power specified in this Service Tariff or any modification thereof applied to Customer's contract demand for the billing period; and

   b. The energy rate specified in this Service Tariff or any modification thereof applied to the amount of Firm Hydroelectric billing energy delivered by Authority to Customer and/or Customer's Authorized Recipient during such billing period.

2. Bills computed under this Service Tariff are due and payable by electronic wire transfer in accordance with the Rules. Such wire transfer shall be made to J P Morgan Chase NY, NY / ABA021000021 / NYPA A/C # 008-030383, unless otherwise indicated in writing by Authority. In the event that there is a dispute on any items of a bill rendered by Authority, Customer shall pay such bill in full. If necessary, any adjustments will be made thereafter.

H. Supplementary Provision

Sections 454.2 (c) and 454.5 of the Rules are inapplicable to this Service Tariff.

I. Alternate Arrangements

Notwithstanding general provisions E, F and G above, Authority, Customer, Customer's Authorized Recipient and/or Customer's Agent may make alternate arrangements regarding Delivery, Scheduling Procedures and Payment by Customer for Firm Hydroelectric Power and Energy consistent with the terms of the Agreement or other contract documents.

J. Conflicts

In the event of any inconsistencies, conflicts or differences between the provisions of this Service Tariff and the Rules, the provisions of this Service Tariff shall govern.

V. Flow Adjustment Computation ("FAC")

The energy charges under this Service Tariff, and the applicable service tariffs associated with both the Project and the St. Lawrence-FDR Hydroelectric Project, in the aggregate, are subject to a credit or surcharge pursuant to a FAC in any rate year following a calendar year for which the Hydroelectric Project Rate Stabilization Reserve ("RSR") is greater than $+25 million, or less than $-25 million, respectively. The RSR will be used to ensure rate stability and cost recovery and its level will be determined and any credit or surcharge for the succeeding rate year will be calculated after the prior calendar year's costs and generation levels are known. Any credit or surcharge will be applied on a uniform basis to the monthly billing statements rendered pursuant to this Service Tariff during the succeeding rate year.

The FAC is inapplicable in any rate year succeeding a calendar year at the end of which the RSR is within the $+25 million to $-25 million range. If at the end of any calendar year, the RSR is determined to exceed $+25 million, such excess amount will be credited pro-rata to Customers during the succeeding rate year pursuant to the FAC. If the RSR at the end of any calendar year is determined to be less than $-25 million, the difference below $-25 million will be surcharged pro-rata to Customers during the succeeding rate year pursuant to the FAC.

To the extent that there is a balance in the RSR (positive or negative) on the effective date of service under the applicable Agreement(s), arising out of service under a prior agreement for the sale of Project power and energy, that RSR balance shall be carried forward and maintained as the balance as of the effective date of service under such applicable Agreement(s).

June 30, 2009
Exhibit "2e-B"

POWER AUTHORITY OF THE STATE OF NEW YORK
30 SOUTH PEARL STREET
ALBANY, NY 12207

Electric Service Tariff for Tuscarora Nation
Firm Hydroelectric Power Service

Service Tariff No. TN-1

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Schedule of Rates for Firm Hydroelectric Power and Energy Service

I. Applicability

To sale of Niagara Hydroelectric Project firm power and energy to the Tuscarora Nation pursuant to the Relicensing Settlement Agreement between Authority and the Tuscarora Nation executed on August 1, 2005.

II. Abbreviations and Terms

A. The following abbreviations are used:

kW	kilowatt(s)
kWh	kilowatt-hour(s)
NYPA	New York Power Authority
NYISO	New York Independent System Operator

B. The term "Agreement" means contract for the Sale of Niagara Project Power and Energy between Authority and Nation.

C. The term "Authority" means New York Power Authority, an alternative name for the Power Authority of the State of New York.

D. The term "Customer" or "Nation" means the Tuscarora Nation, a federally recognized sovereign Indian nation.

E. The term "Nation's Agent" may include, without limitation, a public utility, Load Service Entity, Municipal Distribution Agency, load aggregator or other entity authorized to purchase, sell and/or deliver or cause to be delivered electric power and/or energy pursuant to Section 360 of the General Municipal Law or pursuant to other authority.

F. The term "Power" or "Firm Hydroelectric Power" means capacity (kW) from Project, intended to be available at all times except for limitations provided in the Agreement(s), the Rules, this Service Tariff or in other contract documents. Firm Power shall not include peaking power.

G. The term "Energy" or "Firm Hydroelectric Energy" means energy (kWh) associated with Firm Hydroelectric Power.

H. The term "Project" means the Authority's Niagara Hydroelectric Project.

I. The term “Rules” means Authority's Rules and Regulations for Power Service (Part 454 of Chapter X of Title 21 of the Official Compilation of Codes, Rules and Regulations of the State of New York, 21 NYCRR § 454) as now in effect and as may be later amended from time to time by Authority.

J. The term “Service Tariff” means this Service Tariff No. TN-1.

III. Monthly Rates and Charges

A. Monthly Base Rates

The monthly demand and energy charges paid by Nation to Authority shall be based on the preference power rates charged by Authority, as shown below.

Effective Date	Demand Rate $/kW-month	Energy Rate Mills/kWh
5/1/2008	2.96	4.92

The demand and energy rates set forth above shall apply at the Project switchyard and the energy rate shall be subject to a monthly adjustment in accordance with a Flow Adjustment Computation (FAC) as described in Section V.

B. Minimum Monthly Charge

The product of the demand rate set forth above and the contract demand.

C. Billing Energy

Energy provided by Authority under this Service Tariff.

D. Billing Period

Any period of approximately thirty (30) days, generally ending with the last day of each calendar month.

E. Contract Demand

The amounts set forth in the applicable Agreement(s) between Authority and Nation.

F. NYISO Transmission and Related Charges (“NYISO Charges”)

The Customer shall compensate the Authority for the following NYISO Charges assessed on the Authority, if any, for services provided by the NYISO or any successor organization pursuant to its Open Access Transmission Tariff ("OATT") or other tariffs (as the provisions of those tariffs may be amended and in effect from time to time) which are associated with

Customer's purchase of hydro power and energy under its contract for the sale of hydro power and energy with Authority:

1. Ancillary Services 1 through 6 and any new ancillary services as may be defined and included in the OATT from time to time;

2. Marginal losses;

3. The New York Power Authority Transmission Adjustment Charge ("NTAC");

4. Congestion costs, less any associated grandfathered Transmission Congestion Contracts ("TCCs") as provided in Attachment K of the OATT;

5. Any and all other charges, assessments or other amounts associated with deliveries to Customers that are assessed on the Authority by the NYISO or any successor organization under the provisions of its OATT or under other applicable tariffs; and

6. Any charges assessed on the Authority with respect to service to Customers for facilities needed to maintain reliability and incurred in connection with the NYISO's Comprehensive System Planning Process (or similar reliability-related obligations incurred by NYPA with respect to service to Customers), applicable tariffs or required to be paid by the Authority in accordance with law, whether charged by the NYISO or some other third party.

The NYISO Charges in this section are in addition to the Authority production charges that are charged to the Customer in accordance with other provisions of this Service Tariff.

G. Taxes and Other Charges

The charges under this Service Tariff shall be subject to adjustment as Authority deems necessary to recover from Nation any rates, taxes, assessments charged to Authority or any other charges mandated by federal, state and local agencies that are levied on the Authority or that the Authority is required to collect from its Customer if and to the extent such rates, charges, taxes or assessments are not recovered by Authority pursuant to another provision of this Service Tariff.

IV. General Provisions

General Provisions for service supplementing or modifying the Rules and Regulations for Power Service and this Service Tariff with regard to deliveries to Nation are as follows:

A. Character of Service

Alternating current, 60 hertz, three-phase.

B. Availability of Energy

Unless otherwise agreed upon by the parties, Authority shall normally provide in any billing period Firm Hydroelectric Energy to Nation in an amount equal to the product of (a) the number of hours in such billing period, (b) the contract demand applicable in such billing period and (c) the load factor specified in the Agreement. The Authority will have the right to reduce on a pro rata basis the amount of Firm Hydroelectric Energy provided to Nation if such reductions are necessary due to low flow (i.e., hydrologic) conditions at the Authority's Niagara and St. Lawrence-FDR hydroelectric generating stations. The Authority shall be under no obligation to deliver and will not deliver any such curtailed energy to Nation in later billing periods. The offer of Firm Hydroelectric Energy for delivery shall fulfill Authority's obligations for purposes of this Provision whether or not the Firm Hydroelectric Energy is taken by Customer. The Authority shall provide reasonable notice, to the extent possible, to Nation of any condition or activities that could result, or have resulted, in low flow conditions consistent with the notice provided to other similarly affected customers.

Unless otherwise specified in the Agreement, where Nation is taking service solely from Authority, the billing energy shall be the total number of kilowatt-hours recorded on Nation's meter (or the meters of entities served by Nation as indicated in the Agreement) during the billing period, adjusted for losses.

Unless otherwise specified in the Agreement, where Nation takes service from other sources in addition to service supplied hereunder, the billing energy shall be determined by multiplying (a) the number of hours in such billing period, (b) the contract demand applicable in such billing period and (c) the load factor specified in the Agreement.

C. Adjustment of Rates

To the extent not inconsistent with the Agreement, the monthly rates and charges contained in this Service Tariff may be revised from time to time on not less than thirty (30) days written notice to Nation.

D. Adjustment of Charges

Power Factor

Not less than 95% lagging or leading, except as otherwise specified in the Agreement.

E. Delivery

For the purpose of this Service Tariff, Firm Hydroelectric Power and Energy shall be delivered by Authority at the Project switchyard to the transmission facilities under the control of the NYISO for delivery to Nation.

For the purpose of this Service Tariff, Firm Hydroelectric Power and Energy shall be deemed to be offered when Authority is able to supply Firm Hydroelectric Power and Energy and NYISO transmits it to Nation or its designated points of interconnection with the Nation's Agent at the Project switchyard. The offer of Firm Hydroelectric Energy for delivery shall fulfill Authority's obligations for purposes of this Provision whether or not the Firm Hydroelectric Energy is taken by Nation. If, despite such offer, there is a failure of delivery by Nation or the Nation's Agent, such failure shall not be subject to a billing adjustment pursuant to Section 454.6(d) of the Rules.

F. Scheduling Procedures

1. Authority will advise Nation or Nation's Agent by the tenth (10th) Business Day of the preceding month of the estimated quantity of Firm Hydroelectric Energy expected to be made available from the Project.

2. Authority may require that such Firm Hydroelectric Energy from the Project be scheduled in general accordance with the individual system load shape of Nation or the Nation's Agent or as otherwise agreed upon by Nation and Authority.

3. Nation or the Nation's Agent shall file with Authority pursuant to procedures established by Authority, a daily schedule setting forth the Nation's requested amounts from the Project on a clock hour basis.

4. Subsequent to Authority approval of schedules for any day, Authority and Nation or the Nation's Agent may agree on changes in such schedules subject to NYISO scheduling requirements and procedures Authority shall establish such that an efficient dispatch of Authority facilities will be accomplished.

G. Payment by Nation for Firm Hydroelectric Power and Energy

1. Nation shall pay for Firm Hydroelectric Power and Energy during any billing period the sum of a) and b) below:

   a. The demand rate per kW for Firm Hydroelectric Power specified in this Service Tariff or any modification thereof applied to Nation's contract demand for the billing period; and

   b. The energy rate specified in this Service Tariff or any modification thereof applied to the amount of Firm Hydroelectric billing energy delivered by Authority to Nation during such billing period.

2. Bills computed under this Service Tariff are due and payable by electronic wire transfer in accordance with the Rules. Such wire transfer shall be made to J P Morgan Chase NY, NY / ABA021000021 / NYPA A/C # 008-030383, unless otherwise indicated in writing by Authority. In the event that there is a dispute on any items of a bill rendered by Authority, Nation shall pay such bill in full. If necessary, any adjustments will be made thereafter.

H. Supplementary Provision

Sections 454.2 (c) and 454.5 of the Rules are inapplicable to this Service Tariff.

I. Alternate Arrangements

Notwithstanding general provisions E, F and G above, Authority and Customer (and the Nation's Agent, if appropriate) may make alternate arrangements regarding Delivery, Scheduling Procedures and Payment by Customer for Firm Hydroelectric Power and Energy consistent with the terms of the Agreement or other contract documents.

J. Conflicts

In the event of any inconsistencies, conflicts or differences between the provisions of this Service Tariff and the Rules, the provisions of this Service Tariff shall govern.

V. Flow Adjustment Computation ("FAC")

The energy charges under this Service Tariff, and the applicable service tariffs associated with both the Project and the St. Lawrence-FDR Hydroelectric Project, in the aggregate, are subject to a credit or surcharge pursuant to a FAC in any rate year following a calendar year for which the Hydroelectric Project Rate Stabilization Reserve ("RSR") is greater than $+25 million, or less than $-25 million, respectively. The RSR will be used to ensure rate stability and cost recovery and its level will be determined and any credit or surcharge for the succeeding rate year will be calculated after the prior calendar year's costs and generation levels are known. Any credit or surcharge will be applied on a uniform basis to the monthly billing statements rendered pursuant to this Service Tariff during the succeeding rate year.

The FAC is inapplicable in any rate year succeeding a calendar year at the end of which the RSR is within the $+25 million to $-25 million range. If at the end of any calendar year, the RSR is determined to exceed $+25 million, such excess amount will be credited pro-rata to Customers during the succeeding rate year pursuant to the FAC. If the RSR at the end of any calendar year is determined to be less than $-25 million, the difference below $-25 million will be surcharged pro-rata to Customers during the succeeding rate year pursuant to the FAC.

To the extent that there is a balance in the RSR (positive or negative) on the effective date of service under the applicable Agreement(s), arising out of service under a prior agreement for the sale of Project power and energy, that RSR balance shall be carried forward and maintained as the balance as of the effective date of service under such applicable Agreement(s).

June 30, 2009
Exhibit "2e-C"

POWER AUTHORITY OF THE STATE OF NEW YORK
30 SOUTH PEARL STREET
ALBANY, NY 12207

Electric Service Tariff for Certain Customers under the Niagara Relicensing Firm Hydroelectric Power Service

Service Tariff No. NP-1

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Schedule of Rates for Firm Hydroelectric Power and Energy Service

I. Applicability

To sale of Niagara Hydroelectric Project firm power and energy to certain customers eligible for service under the Niagara Relicensing Settlement Agreement.

II. Abbreviations and Terms

A. The following abbreviations are used:

kW	kilowatt(s)
kWh	kilowatt-hour(s)
NYPA	New York Power Authority
NYISO	New York Independent System Operator

B. The term "Agreement" means contract for the Sale of Niagara Project Power and Energy between Authority and Customer.

C. The term "Authority" means New York Power Authority, an alternative name for the Power Authority of the State of New York.

D. The term "Customer" means a customer eligible for service under Project's relicensing agreement.

E. The term "Customer's Agent" may include, without limitation, a public utility, Load Service Entity, Municipal Distribution Agency, load aggregator or other entity authorized to purchase, sell and/or deliver or cause to be delivered electric power and/or energy pursuant to Section 360 of the General Municipal Law or pursuant to other authority.

F. The term "Power" or "Firm Hydroelectric Power" means capacity (kW) from Project, intended to be available at all times except for limitations provided in the Agreement(s), the Rules, this Service Tariff or in other contract documents. Firm Power shall not include peaking power.

G. The term "Energy" "Firm Hydroelectric Energy" means energy (kWh) associated with Firm Hydroelectric Power.

H. The term "Project" means the Authority's Niagara Hydroelectric Project.

I. The term “Rules” means Authority's Rules and Regulations for Power Service (Part 454 of Chapter X of Title 21 of the Official Compilation of Codes, Rules and Regulations of the State of New York, 21 NYCRR § 454) as now in effect and as may be later amended from time to time by Authority.

J. The term “Service Tariff” means this Service Tariff No. NP-1.

III. Monthly Rates and Charges

A. Monthly Rates

The monthly demand and energy charges paid by Customer to Authority shall be the rates shown below.

Effective Date	Demand Rate $/kW-month of billing demand	Energy Rate Mills/kWh
5/1/2008	5.17	8.84

The demand and energy rates set forth above shall apply at the Project switchyard. Future rates shall be as determined by the Authority consistent with the provisions of the Agreement.

B. Minimum Monthly Charge

The product of the demand rate set forth above and the billing demand.

C. Billing Demand

The billing demand shall be the lesser of a) Customer's contract demand or b) the maximum 30 minute integrated demand measured during the billing period adjusted for losses.

D. Billing Energy

Energy provided by Authority under this service tariff.

E. Billing Period

Any period of approximately thirty (30) days, generally ending with the last day of each calendar month.

F. Contract Demand

The amounts set forth in the applicable Agreement(s) between Authority and Customer.

G. NYISO Transmission and Related Charges (“NYISO Charges”)

The Customer shall compensate the Authority for the following NYISO Charges assessed on the Authority, if any, for services provided by the NYISO or any successor organization pursuant to its Open Access Transmission Tariff ("OATT") or other tariffs (as the provisions of those tariffs may be amended and in effect from time to time) which are associated with Customer’s purchase of hydro power and energy under its contract for the sale of hydro power and energy with Authority:

1. Ancillary Services 1 through 6 and any new ancillary services as may be defined and included in the OATT from time to time;

2. Marginal losses;

3. The New York Power Authority Transmission Adjustment Charge ("NTAC");

4. Congestion costs, less any associated grandfathered Transmission Congestion Contracts ("TCCs") as provided in Attachment K of the OATT;

5. Any and all other charges, assessments or other amounts associated with deliveries to Customer that are assessed on the Authority by the NYISO or any successor organization under the provisions of its OATT or under other applicable tariffs; and

6. Any charges assessed on the Authority with respect to service to Customers for facilities needed to maintain reliability and incurred in connection with the NYISO’s Comprehensive System Planning Process (or similar reliability-related obligations incurred by NYPA with respect to service to Customers), applicable tariffs or required to be paid by the Authority in accordance with law, whether charged by the NYISO or some other third party.

The NYISO Charges in this section are in addition to the Authority production charges that are charged to the Customer in accordance with other provisions of this Service Tariff.

H. Taxes and Other Charges

The charges under this Service Tariff shall be subject to adjustment as Authority deems necessary to recover from Customer any rates, taxes, assessments charged to Authority or any other charges mandated by federal, state and local agencies that are levied on the Authority or that the Authority is required to collect from its Customer if and to the extent such rates, charges, taxes or assessments are not recovered by Authority pursuant to another provision of this Service Tariff.

IV. General Provisions

General Provisions for service supplementing or modifying the Rules and Regulations for Power Service and this Service Tariff with regard to deliveries to Customer are as follows:

A. Character of Service

Alternating current, 60 hertz, three-phase.

B. Availability of Energy

Unless otherwise specified in the Agreement, where Customer is taking service solely from Authority, the billing energy shall be the total number of kilowatt-hours recorded on Customer's meter during the billing period, adjusted for losses.

Unless otherwise specified in the Agreement, where Customer takes service from other sources in addition to service supplied hereunder, the billing energy shall be determined by multiplying the total number of kilowatt-hours recorded on Customer's meter during the billing period, adjusted for losses, times the ratio of the contract demand to the maximum 30 minute integrated demand measured during the billing period adjusted for losses. Such ratio shall not be greater than unity (1.0).

The Authority will have the right to reduce on a pro rata basis the amount of Firm Hydroelectric Energy provided to Customer if such reductions are necessary due to low flow (i.e., hydrologic) conditions at the Authority's Niagara and St. Lawrence-FDR hydroelectric generating stations. The Authority shall be under no obligation to deliver and will not deliver any such curtailed energy to Customer in later billing periods. The Authority shall provide reasonable notice, to the extent possible, to Customer of any condition or activities that could result, or have resulted, in low flow conditions consistent with the notice provided to other similarly affected customers.

C. Adjustment of Rates

To the extent not inconsistent with the Agreement, the monthly rates and charges contained in this Service Tariff may be revised from time to time on not less than thirty (30) days written notice to Customer.

D. Adjustment of Charges

Power Factor

Not less than 95% lagging or leading, except as otherwise specified in the Customer's accepted Agreement.

E. Delivery

For the purpose of this Service Tariff, Firm Hydroelectric Power and Energy shall be deemed to be offered when Authority is able to supply Firm Hydroelectric Power and Energy to Customer or its agent at the Project switchyard. The offer of Firm Hydroelectric Energy for delivery shall fulfill Authority's obligations for purposes of this Provision whether or not the Firm Hydroelectric Energy is taken by Customer. If, despite such offer, there is a failure of delivery by Customer or its Delivery Agent, such failure shall not be subject to a billing adjustment pursuant to Section 454.6(d) of the Rules.

F. Payment by Customer for Firm Hydroelectric Power and Energy

1. Customer shall pay for Firm Hydroelectric Power and Energy during any billing period the sum of a) and b) below:

   a. The demand rate per kW for Firm Hydroelectric Power specified in this Service Tariff or any modification thereof applied to Customer's contract demand for the billing period; and

   b. The energy rate specified in this Service Tariff or any modification thereof applied to the amount of Firm Hydroelectric billing energy delivered by Authority to Customer during such billing period.

2. Bills computed under this Service Tariff are due and payable by electronic wire transfer in accordance with the Rules. Such wire transfer shall be made to J P Morgan Chase NY, NY / ABA021000021 / NYPA A/C # 008-030383, unless otherwise indicated in writing by Authority. In the event that there is a dispute on any items of a bill rendered by Authority, Customer shall pay such bill in full. If necessary, any adjustments will be made thereafter.

G. Supplementary Provision

Sections 454.2 (c) and 454.5 of the Rules are inapplicable to this Service Tariff.

H. Conflicts

In the event of any inconsistencies, conflicts or differences between the provisions of this Service Tariff and the Rules, the provisions of this Service Tariff shall govern.

June 30, 2009
Exhibit "2e-D"

POWER AUTHORITY OF THE STATE OF NEW YORK
30 SOUTH PEARL STREET
ALBANY, NY 12207

Electric Service Tariff for Niagara Frontier Transportation Authority Firm Hydroelectric Power Service

Service Tariff No. 37

Issued by James H. Yates, Senior Vice President
Power Authority of the State of New York
30 South Pearl Street, Albany, NY 12207

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Schedule of Rates for Firm Hydroelectric Power and Energy Service

I. Applicability

To sale of Niagara and St. Lawrence-FDR Hydroelectric Projects firm power and energy (as defined below) to Niagara Frontier Transportation Authority.

II. Abbreviations and Terms

A. The following abbreviations are used:

kW	kilowatt(s)
kWh	kilowatt-hour(s)
NYPA	New York Power Authority
NYISO	New York Independent System Operator

B. The term “Agreement” means the executed Application for Electric Service between Authority and Customer.

C. The term “Authority” means New York Power Authority, an alternative name for the Power Authority of the State of New York.

D. The term “Customer” means the Niagara Frontier Transportation Authority.

E. The term “Power” or “Firm Hydroelectric Power” means capacity (kW) from Projects, intended to be available at all times except for limitations provided in the application for electric service, the Rules, this Service Tariff or in other contract documents. Firm Power shall not include peaking power.

F. The term “Energy” or “Firm Hydroelectric Energy” means energy (kWh) associated with Firm Hydroelectric Power.

G. The term “Projects” means the Authority’s Niagara and St. Lawrence-FDR Hydroelectric Projects.

H. The term “Rules” means Authority's Rules and Regulations for Power Service (Part 454 of Chapter X of Title 21 of the Official Compilation of Codes, Rules and Regulations of the State of New York, 21 NYCRR § 454) as now in effect and as may be later amended from time to time by Authority.

I. The term “Service Tariff” means this Service Tariff No. 37.

J. The Term “Transmission/Distribution Agent” means any entity, generally a transmission or distribution-owning utility, that delivers Authority firm power and energy for Authority on behalf of Customer.

III. Monthly Rates and Charges

A. Monthly Base Rates

The monthly demand and energy charges paid by Customer to Authority shall be based on the preference power rates charged by Authority, as shown below.

Effective Date	Demand Rate $/kW-month of contract demand	Energy Rate Mills/kWh
5/1/2008	2.96	4.92

The demand and energy rates set forth above will apply at the Projects switchyard and the energy rate shall be subject to a monthly adjustment in accordance with a Flow Adjustment Computation ("FAC") described in Section V.

B. Minimum Monthly Demand Charge

The product of the demand rate set forth above and the contract demand.

C. Minimum Monthly Energy Charge

The product of the energy rate set forth above and the amount of energy allocated under this Service Tariff.

D. Contract Demand

The maximum hydroelectric kilowatts contracted for in the application for electric service, as measured at the Authority's generating station switchyards subject to modification as provided in General Provision F of this Service Tariff.

E. Billing Period

Any period of approximately thirty (30) days, generally ending with the last day of each calendar month.

F. NYISO Transmission and Related Charges (“NYISO Charges”)

The Customer shall compensate the Authority for the following NYISO Charges assessed on the Authority, if any, for services provided by the NYISO or any successor organization pursuant to its Open Access Transmission Tariff ("OATT") or other tariffs (as the provisions of those tariffs may be amended and in effect from time to time) which are associated with Customer’s purchase of hydro power and energy under its contract for the sale of hydro power and energy with Authority:

1. Ancillary Services 1 through 6 and any new ancillary services as may be defined and included in the OATT from time to time;

2. Marginal losses;

3. The New York Power Authority Transmission Adjustment Charge ("NTAC");

4. Congestion costs, less any associated grandfathered Transmission Congestion Contracts ("TCCs") as provided in Attachment K of the OATT;

5. Any and all other charges, assessments or other amounts associated with deliveries to Customer that are assessed on the Authority by the NYISO or any successor organization under the provisions of its OATT or under other applicable tariffs; and

6. Any charges assessed on the Authority with respect to service to Customers for facilities needed to maintain reliability and incurred in connection with the NYISO’s Comprehensive System Planning Process (or similar reliability-related obligations incurred by NYPA with respect to service to Customers), applicable tariffs or required to be paid by the Authority in accordance with law, whether charged by the NYISO or some other third party.

The NYISO Charges in this section are in addition to the Authority production charges that are charged to the Customer in accordance with other provisions of this Service Tariff.

G. Taxes and Other Charges

The charges under this Service Tariff shall be subject to adjustment as Authority deems necessary to recover from Customer any rates, taxes, assessments charged to Authority or any other charges mandated by federal, state and local agencies that are levied on the Authority or that the Authority is required to collect from its Customer if and to the extent such rates, charges, taxes or assessments are not recovered by Authority pursuant to another provision of this Service Tariff.

IV. General Provisions

General Provisions for service supplementing or modifying the Rules and Regulations for Power Service and this Service Tariff with regard to deliveries to Customer are as follows:

A. Character of Service

Alternating current, 60 hertz, three-phase.

B. Adjustment of Rates

The rates for power and energy contained in this Service Tariff may be revised by the Authority from time to time on not less than 30 days written notice to Customer.

C. Adjustment of Charges

1. Transformer Losses

If delivery is made at transmission voltage but metered on the low-voltage side of Customer's substation, the meter readings will be adjusted by an amount based upon the manufacturer's actual test report for such transformer or for a transformer of similar age and type, or in the absence of such test reports, the meter readings will be increased two percent to compensate for transformer losses.

2. Power Factor

Customer shall maintain a power factor at the point of delivery of not less than 90 percent lagging or leading.

D. Transmission and Delivery Service Charges

Authority contracts with Transmission/Distribution Agent(s) provide or will provide for the use of transmission facilities of Transmission/Distribution Agent(s) including transforming, switching, control and protective equipment necessary or used in the transmission and delivery of the electric power and energy contracted for herein and received by Transmission/Distribution Agent at Authority's established points of delivery to Transmission/Distribution Agents.

Customer will compensate Authority for making delivery of power and energy to Customer by paying to Authority transmission and delivery service charges including compensation for losses in the amount determined by Authority to be necessary to defray the cost of such delivery of power and energy including (a) the cost to Authority of delivery power and energy pursuant to any wheeling agreement with Authority's Transmission/Distribution Agents, together with any administrative expenses incurred by Authority in connection herewith and (b) where power and energy is delivered either wholly or partially over facilities of Authority, Authority's transmission charge or charges.

E. Construction, Operation and Maintenance of the Customer's Power System

For the purpose herein, Customer's power system shall mean the power system of Customer and of any purchaser, transmitter or distributor designated by Customer to receive or handle the power contracted for herein, and for the purposes of this Provision, Authority's power system shall mean all facilities over which power and energy are delivered to Customer or Customer's Transmission/Distribution Agent(s), whether or not owned by the Authority. Customer shall require all such purchasers, transmitters, or distributors to construct, operate and maintain their power system and/or electrical equipment in a manner which will not interfere with any service supplied from Authority's power system. If, after reasonable notice of an unsatisfactory condition on Customer's power system, which interferes or may interfere with any service supplied from Authority's power system, Customer fails or refuses to cause such changes to be made as may be necessary to eliminate such unsatisfactory condition, Authority may discontinue furnishing electric service to Customer so long as such interference exists. Such a discontinuance of electric service will not relieve Customer of liability for the minimum monthly charges provided for herein during the term said electric service is so discontinued. Nothing in this paragraph shall be construed to render Authority liable for any claims, demands, costs, losses, causes of action, damages, or liability of whatsoever kind or nature arising out of or resulting from the construction, operation or maintenance of Customer's power system.

F. Cancellation of Modification

Service hereunder shall be subject to cancellation by Customer for any reason upon 90 days prior written notice to Authority. Authority may cancel service hereunder or modify the quantities of power and associated energy allocated to Customer (1) if cancellation or modification is deemed warranted by Authority's Trustees (a) by reason of any ruling, order or decision of any regulatory or judicial body having jurisdiction in the premises, or (b) to comply

with any state or federal legislation affecting the allocation of Authority power and energy; such cancellation or modification to be effective in accordance with the terms of any such ruling, order, decision or legislation or (2) as otherwise provided herein or in Authority's Rules and Regulations (Chapter X of Title 21 of the Official Compilation of Codes, Rules and Regulations of the State of New York).

G. Apportionment of Service

If Customer combines service under this Service Tariff with power and energy from any other source(s), the portion of the total power and energy utilized by Customer from all sources shall be apportioned to this Service Tariff as determined by Authority and the provider of such other service.

H. Payment by Customer for Firm Hydroelectric Power and Energy

Bills computed under this Service Tariff are due and payable by electronic wire transfer in accordance with the Rules. Such wire transfer shall be made to J P Morgan Chase NY, NY / ABA021000021 / NYPA A/C # 008-030383, unless otherwise indicated in writing by Authority. In the event that there is a dispute on any items of a bill rendered by Authority, Customer shall pay such bill in full. If necessary, any adjustments will be made thereafter.

I. Conflicts

In the event of any inconsistencies, conflicts or differences between the provisions of this Service Tariff and the Rules, the provisions of this Service Tariff shall govern.

V. Flow Adjustment Computation ("FAC")

The energy charges under this Service Tariff, and the applicable service tariffs associated with the Projects are subject to a credit or surcharge pursuant to a FAC in any rate year following a calendar year for which the Hydroelectric Project Rate Stabilization Reserve ("RSR") is greater than $+25 million, or less than $-25 million, respectively. The RSR will be used to ensure rate stability and cost recovery and its level will be determined and any credit or surcharge for the succeeding rate year will be calculated after the prior calendar year's costs and generation levels are known. Any credit or surcharge will be applied on a uniform basis to the monthly billing statements rendered pursuant to this Service Tariff during the succeeding rate year.

The FAC is inapplicable in any rate year succeeding a calendar year at the end of which the RSR is within the $+25 million to $-25 million range. If at the end of any calendar year, the RSR is determined to exceed $+25 million, such excess amount will be credited pro-rata to Customers during the succeeding rate year pursuant to the FAC. If the RSR at the end of any calendar year is determined to be less than $-25 million, the difference below $-25 million will be surcharged pro-rata to Customers during the succeeding rate year pursuant to the FAC.

To the extent that there is a balance in the RSR (positive or negative) on the effective date of service under the applicable Agreement(s), arising out of service under a prior agreement for the sale of Project power and energy, that RSR balance shall be carried forward and maintained as the balance as of the effective date of service under such applicable Agreement(s).

June 30, 2009
Exhibit "2e-E"

POWER AUTHORITY OF THE STATE OF NEW YORK
30 SOUTH PEARL STREET
ALBANY, NY 12207

Electric Service Tariff for Public Corporations in the New York City Metropolitan Area Firm Hydroelectric Power Service

Service Tariff No. 8

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Schedule of Rates for Firm Hydroelectric Power and Energy Service

I. Applicability

To sale of St. Lawrence-FDR Hydroelectric Project firm power and energy to Customer (as defined below).

II. Abbreviations and Terms

A. The following abbreviations are used:

kW	kilowatt(s)
kWh	kilowatt-hour(s)
NYPA	New York Power Authority
NYISO	New York Independent System Operator

B. The term “Agreement” means the executed Application for Electric Service between Authority and Customer.

C. The term “Authority” means New York Power Authority, an alternative name for the Power Authority of the State of New York.

D. The term “Customer” means a public corporation located in the New York City metropolitan area serving traction load.

E. The term “Power” or “Firm Hydroelectric Power” means capacity (kW) from Project, intended to be available at all times except for limitations provided in the Agreement(s), the Rules, this Service Tariff or in other contract documents. Firm Power shall not include peaking power.

F. The term “Energy” or “Firm Hydroelectric Energy” means energy (kWh) associated with Firm Hydroelectric Power.

G. The term “Project” means the Authority’s St. Lawrence-FDR Hydroelectric Project.

H. The term “Rules” means Authority's Rules and Regulations for Power Service (Part 454 of Chapter X of Title 21 of the Official Compilation of Codes, Rules and Regulations of the State of New York, 21 NYCRR § 454) as now in effect and as may be later amended from time to time by Authority.

I. The term “Service Tariff” means this Service Tariff No. 8.

III. Monthly Rates and Charges

A. Monthly Base Rates

The monthly demand and energy charges paid by Customer to Authority shall be based on the preference power rates charged by Authority, as shown below.

Effective Date	Demand Rate $/kW-month of contract demand	Energy Rate Mills/kWh
5/1/2008	2.96	4.92

The demand and energy rates set forth above will apply at the Project switchyard and the energy rate shall be subject to a monthly adjustment in accordance with a Flow Adjustment Computation (FAC) described in Section V.

B. Minimum Monthly Charge

The product of the demand rate set forth above and the contract demand.

C. Billing Period

Any period of approximately thirty (30) days, generally ending with the last day of each calendar month.

D. Contract Demand

The amounts set forth in the application for electric service between Authority and Customer.

E. Energy Entitlement

At normal average annual load factor.

F. NYISO Transmission and Related Charges (“NYISO Charges”)

The Customer shall compensate the Authority for the following NYISO Charges assessed on the Authority for services provided by the NYISO or any successor organization pursuant to its Open Access Transmission Tariff

("OATT") or other tariffs (as the provisions of those tariffs may be amended and in effect from time to time);

1. Ancillary Services 1 through 6 and any new ancillary services as may be defined and included in the OATT from time to time;

2. Marginal losses;

3. The New York Power Authority Transmission Adjustment Charge ("NTAC");

4. Congestion costs, less any associated grandfathered Transmission Congestion Contracts ("TCCs") as provided in Attachment K of the OATT;

5. Any and all other charges, assessments or other amounts associated with deliveries to Customer or otherwise associated with the Authority's responsibilities as a Load Serving Entity for the Customer that are assessed on the Authority by the NYISO or any successor organization under the provisions of its OATT or under other applicable tariffs; and

6. Any charges assessed on the Authority with respect to service to Customers for facilities needed to maintain reliability and incurred in connection with the NYISO's Comprehensive System Planning Process (or similar reliability-related obligations incurred by NYPA with respect to service to Customers), applicable tariffs or required to be paid by the Authority in accordance with law, whether charged by the NYISO or some other third party.

The NYISO Charges in this section are in addition to the Authority production charges that are charged to the Customer in accordance with other provisions of this Service Tariff.

G. Taxes and Other Charges

The charges under this Service Tariff shall be subject to adjustment as Authority deems necessary to recover from Customer any rates, taxes, assessments charged to Authority or any other charges mandated by federal, state and local agencies that are levied on the Authority or that the Authority is required to collect from its Customer if and to the extent such rates, charges, taxes or assessments are not recovered by Authority pursuant to another provision of this Service Tariff.

IV. General Provisions

General Provisions for service supplementing or modifying the Rules and this Service Tariff with regard to deliveries to Customer are as follows:

A. Character of Service

Alternating current, 60 hertz, three-phase.

B. Adjustment of Rates

To the extent not inconsistent with the application for electric service, the rates contained in this Service Tariff may be revised from time to time on not less than thirty (30) days written notice to Customer.

C. Adjustment of Charges

Power Factor

Authority may require Customer normally to maintain power factor not less than 90% lagging or leading, at the point of delivery.

D. Payment by Customer for Firm Hydroelectric Power and Energy

Bills computed under this Service Tariff are due and payable at the office of the Authority within ten (10) days of the date of bill, subject to late payment charges in accordance with Section 454.6(b) of the Rules. In the event that there is a dispute on any items of a bill rendered by Authority, Customer shall pay such bill in its entirety within the prescribed period and any necessary adjustments will be made thereafter. If Customer is presently receiving power from Authority under other contracts, the billing procedures under this Service Tariff will be to the extent practicable consistent and coordinated with such other contract arrangements.

Bills computed under this Service Tariff are due and payable by electronic wire transfer in accordance with the Rules. Such wire transfer shall be made to J P Morgan Chase NY, NY / ABA021000021 / NYPA A/C # 008-030383, unless otherwise indicated in writing by Authority.

E. Transmission and Delivery Service Charges

Customer will compensate Authority for making delivery of power and energy to Customer by paying to Authority transmission and delivery service

charges, including compensation for losses, in the amount determined by Authority to be necessary to defray the cost of such delivery of power and energy including (a) the cost to Authority of delivery of power and energy pursuant to any wheeling agreement together with any administrative expenses incurred by Authority in connection herewith and (b) where power and energy is delivered either wholly or partially over facilities of Authority, Authority's transmission charge or charges.

F. Redistribution of Electric Service

Customer may resell, remeter (or submeter), or redistribute electric service to its traction load in the premises supplied by Authority, only if and to the extent that such is authorized by the Authority and not violative of any statute, laws, rules or regulations of any body having jurisdiction in the premises.

G. Supplementary Provision

Section 454.6(d) of the Rules are inapplicable to this Service Tariff.

H. Continuance and Termination of Service

Initiation of service will be upon accepted application of Customer, under the procedure specified in the Rules. Once initiated, service will continue thereafter as may be mutually agreed upon, subject to termination by Authority (1) pursuant to required notice as provided in the Rules or (2) if in its sole discretion it determines that such termination is necessary or desirable to assist it to comply with any ruling, order or decision of any regulatory or judicial body. Customer may reduce or terminate service at any time after one year's service on written notice to Authority not less than 120 days in advance, or sooner if mutually agreeable. Termination by Customer of any other service being provided by Authority shall also constitute termination of service hereunder. Until actually terminated, the minimum monthly charge provision of this Service Tariff shall apply.

I. Conflicts

In the event of any inconsistencies, conflicts or differences between the provisions of this Service Tariff and the Rules, the provisions of this Service Tariff shall govern.

V. Flow Adjustment Computation ("FAC")

The energy charges under this Service Tariff, and the applicable service tariffs associated with both the Project and the Niagara Hydroelectric Project, in the aggregate, are subject to a credit or surcharge pursuant to a FAC in any rate year following a calendar year for which the Hydroelectric Project Rate Stabilization Reserve ("RSR") is greater than $+25 million, or less than $-25 million, respectively. The RSR will be used to ensure rate stability and cost recovery and its level will be determined and any credit or surcharge for the succeeding rate year will be calculated after the prior calendar year's costs and generation levels are known. Any credit or surcharge will be applied on a uniform basis to the monthly billing statements rendered pursuant to this Service Tariff during the succeeding rate year.

The FAC is inapplicable in any rate year succeeding a calendar year at the end of which the RSR is within the $+25 million to $-25 million range. If at the end of any calendar year, the RSR is determined to exceed $+25 million, such excess amount will be credited pro-rata to Customers during the succeeding rate year pursuant to the FAC. If the RSR at the end of any calendar year is determined to be less than $-25 million, the difference below $-25 million will be surcharged pro-rata to Customers during the succeeding rate year pursuant to the FAC.

To the extent that there is a balance in the RSR (positive or negative) on the effective date of service under the applicable Agreement(s), arising out of service under a prior agreement for the sale of Project power and energy, that RSR balance shall be carried forward and maintained as the balance as of the effective date of service under such applicable Agreement(s).

f. Authorization to Enter into Credit Enhancements for Forward Fuel and Energy Transactions

The President and Chief Executive Officer submitted the following report:

SUMMARY

"The Trustees are requested to authorize the use of additional credit support-enhancing measures related to the hedging of natural gas, fuel oil and electrical energy prices. These enhanced measures include: (1) 'clearing' of hedging transactions using the CME ClearPort Clearing Services, (2) using master agreement two-way credit support annexes ('CSAs') in connection with over-the-counter ('OTC') transactions entered into directly with counterparties, (3) providing collateral as may be required by the CSAs, or other master agreement credit support requirements, in the form of cash, cash equivalents, or bank letters of credit ('L/Cs') and (4) increasing the Energy Hedging Reserve Fund to $200 million to provide the necessary funding for use as collateral that may be required to support all authorized fuel and energy hedging transactions.

BACKGROUND

"During the normal course of business, the Authority enters into forward contracts to lock in the costs it will pay for fuel at its fossil power plants and to lock in the costs it will pay for energy on behalf of its customers. For example, on behalf of the Authority's Southeastern New York ('SENY') Governmental Customers, the hedges include physical energy transactions, such as the fixed-price electrical energy purchased from the Indian Point Nuclear Generation Plants, and financially settled derivative transactions relating to natural gas, fuel oil and electrical energy prices. The hedge transactions are entered into either with a clearing broker associated with the New York Mercantile Exchange ('NYMEX') or with individual OTC counterparties.

"At their meeting of April 27, 2004, the Trustees authorized the use of commodity brokers to effectuate the trading and 'clearing' of commodity transactions on the NYMEX related to the hedging of natural gas and fuel oil prices. The Trustees also authorized the creation of the NYMEX Margin Reserve Fund (subsequently renamed with the Trustees' approval as the Energy Hedging Reserve Fund), currently funded at $90 million, to provide collateral in support of those transactions. This authority was provided in recognition of the fact that execution of contracts on the NYMEX minimizes counterparty default risk. Default risk for exchange-cleared transactions is minimized since the exchange requires collateral from all market participants, referred to as 'margin,' in an amount at least equal to the current market value of transactions. The market value of exchange-traded transactions is recalculated at the end of each trading day and margin requirements are updated accordingly. The overall function of protecting transactions against counterparty default is generally referred to as 'clearing.'

"Direct OTC transactions with counterparties are presently used for hedging the price of natural gas and natural gas transportation, in anticipation of future purchases for the Authority's fossil fuel generators, and for hedging the price of electrical energy in anticipation of future purchases to serve Authority customers. Although some of these OTC hedge transactions are for a physical fuel or energy commodity, the majority of hedge transactions are financially settled derivatives, where settlement is ultimately calculated based on the commodity prices for natural gas and electrical energy. Presently, virtually all of these OTC derivative transactions are entered into with counterparties under the terms of the standard master agreement of the International Swaps and Derivatives Association ('ISDA'). In the past, the Authority's use of the ISDA standard master agreement with its counterparties has not included the use of the CSA to that agreement.

"The counterparties to the OTC hedge transactions are mostly the financial institutions and merchant trading companies that continue to be challenged during the ongoing credit and liquidity crisis. Most of the hedges with these entities are unsecured, or are backed only by guarantees from their parent corporations. Although, to date, none of the counterparties to the SENY Governmental Customers or other hedges on behalf of Authority customers have failed to perform under their master agreements, several of these counterparties have recently been downgraded by nationally recognized credit ratings agencies Standard & Poor's ('S&P') and Moody's Investor Service. In 2008, 12 S&P downgrades affected 8 Authority counterparties. So far in 2009, 4 S&P downgrades have affected 3 counterparties.

DISCUSSION

"Recent events in the financial services industry highlight the importance of protecting against potential counterparty default. To reduce the Authority's exposure to potential counterparty default, staff seeks authorization to both expand the use of exchange-cleared transactions and implement direct collateral arrangements with several of its counterparties to OTC transactions.

"To further benefit from the credit protections afforded by entering hedge transactions through the Authority's clearing brokers, staff also seeks authorization to enter into transactions listed on the CME ClearPort. ClearPort allows for clearing many transactions the Authority presently enters into OTC. These include transactions based on natural gas priced against additional natural gas trading hubs and transactions priced between natural gas trading hubs (locational basis) and transactions priced against electrical energy at locations within and adjacent to the New York Independent System Operator's ('NYISO') system. It is anticipated that the additional transactions will be entered into on ClearPort using the Authority's existing broker and margin accounts.

"To reduce the default risk associated with OTC transactions, staff seeks authorization to enter into master agreement CSAs with hedging counterparties. A CSA implements a collateral requirement similar to that used for exchange-cleared transactions. Under the CSA, collateral is required when the current market value of transactions with the counterparty exceeds a predetermined threshold amount. Terms of the CSA negotiated with each counterparty include a table of collateral posting thresholds corresponding to various credit ratings assigned by nationally recognized credit rating agencies. The CSA table requires counterparties with low credit ratings to post collateral at a zero-dollar threshold in an amount equal to the current net market value of all transactions with the counterparty. Counterparties with high credit ratings post collateral only in an amount by which current overall net market value exceeds the corresponding collateral threshold. If a counterparty's credit rating changes, as determined by a nationally recognized rating agency, then the collateral threshold and the amount of collateral required would change as required by the table.

"In accordance with the terms of a two-way CSA, the Authority may be required to post collateral in support of OTC transactions that have a negative net market value to the Authority. Typically an OTC transaction such as a swap would represent a negative net market value if the Authority had locked in a fixed price that was higher than the current market price for that same transaction. In that case, the Authority may be required to post the net margin value of all transactions with that counterparty in the amount that exceeds the threshold agreed to within the negotiated CSA table corresponding to the Authority's then-current credit rating. The Authority may also be required to post collateral based on other credit-related terms in OTC transaction master agreements. The level of collateral required corresponds to the net market value of transactions and the credit rating assigned to the Authority by the nationally recognized independent rating agencies. In the event the Authority's credit rating is lowered, the anticipated amount of collateral required may increase. The Authority will endeavor to maintain its strong credit rating and to enter into transactions across multiple counterparties so as to optimally manage the Authority's potential collateral requirements.

"In order to fund the potential collateral requirements of the CME ClearPort and OTC transactions covered under the CSA, the Authority seeks to increase the Energy Hedging Reserve Fund from the current authorized value of $90 million to $200 million. This amount is considered adequate given current gas and energy market pricing to fund the potential collateral requirements associated with the fuel and energy hedges currently anticipated on behalf of Authority customers.

"The Authority's plan is to have a portfolio of measures to manage its market risk, counterparty default risk and collateral requirements, including continued use of select counterparties for OTC transactions without collateral, one-way CSAs, two-way CSAs and use of CME ClearPort. Additionally, certain hedge transactions may be exited in order to stay within the collateral available in the Energy Hedging Reserve Fund.

FISCAL INFORMATION

"Any cash or securities pledged would be held as collateral by the counterparty or broker in the name of the Authority, to be returned once the Authority has fulfilled its obligations under the relevant contracts. Any bank letters of credit ('L/C') issued would be drawn on only if the Authority failed to fulfill its obligations under the relevant contracts. Collateral payments to be made under NYMEX, CME ClearPort or CSA contracts will be paid from and returned to the Energy Hedging Reserve Fund. Payment of broker fees, NYMEX fees, CME ClearPort fees, bank fees for custodial accounts and issuance of L/Cs will be treated as fuel or energy payments to be paid from the Operating Fund. Interest payments associated with Authority and counterparty collateral will be treated as fuel or energy payments to be paid from or credited to the Operating Fund.

RECOMMENDATION

"The Vice President – Energy Risk Assessment and Control recommends that the Trustees authorize using CME ClearPort, executing two-way credit support annexes and increasing the Energy Hedging Reserve Fund to $200 million, as described and subject to the limitations discussed above.

"The Chief Operating Officer, the Executive Vice President and General Counsel, the Executive Vice President and Chief Financial Officer, the Senior Vice President – Corporate Planning and Finance, the Senior Vice President – Energy Resource Management and I concur in the recommendation."

The following resolution, as submitted by the President and Chief Executive Officer, was unanimously adopted.

> **RESOLVED, That the Trustees hereby authorize the "clearing" of transactions relating to hedging natural gas, fuel oil and electrical energy prices using CME ClearPort Clearing Services, as recommended in the foregoing report of the President and Chief Executive Officer; and be it further**
>
> **RESOLVED, That the Trustees hereby authorize (i) the execution of two-way credit support annexes ("CSAs") to the master agreements governing over-the-counter ("OTC") fuel and energy-related transactions and (ii) the provision of collateral, in support of OTC transactions entered into under the terms of CSAs to the master agreements, as recommended in the foregoing report of the President and Chief Executive Officer; and be it further**
>
> **RESOLVED, That the Trustees hereby approve increasing the Energy Hedging Reserve Fund ("Fund") within the Operating Fund for the purpose of providing necessary collateral in the form of cash, securities or bank letters of credit, as may be required to support fuel and energy transactions entered into in the normal course of business, with funds from monies or securities in the Operating Fund in such amounts as deemed advisable by the Treasurer or the Senior Vice President – Corporate Planning and Finance, to a maximum amount in such Fund at any one time of $200 million, from which monies or securities may be drawn to pay margin requirements, as described in the foregoing report of the President and Chief Executive Officer, and providing that the Treasurer or the Senior Vice President – Corporate Planning and Finance shall certify that such funds to be provided as collateral are not needed for any of the purposes specified in Section 503(1)(a)-(c) of the General Resolution Authorizing Revenue Obligations and that any margin requirements will be satisfied first by monies or securities drawn from such Fund and then from other**

monies or securities in the Operating Fund, if necessary, and that the Treasurer shall have the discretion as he or she deems advisable to transfer monies or securities from the Fund to the Operating Fund; and be it further

RESOLVED, That the Chairman, the Vice Chairman, the President and Chief Executive Officer, the Chief Operating Officer and all other officers of the Authority are, and each of them hereby is, authorized on behalf of the Authority to do any and all things and take any and all actions and execute and deliver any and all certificates, agreements and other documents to effectuate the foregoing resolution, subject to the approval of the form thereof by the Executive Vice President and General Counsel.

g. Approval of Hedge Transaction Authority for 2010 Long-Term Energy Supply Agreements with New York City Governmental Customers

The President and Chief Executive Officer submitted the following report:

SUMMARY

"The Trustees are requested to authorize the execution of fuel- and energy-related hedging transactions ('Hedge Transactions') for 2010 as required to meet the New York Power Authority's obligation under the long-term energy supply agreements ('Agreements') with the New York City governmental customers ('Governmental Customers').

BACKGROUND

"On February 9, 2005, the Trustees approved Agreements between the Authority and the Governmental Customers effective for the annual rate years commencing January 1, 2006 through December 31, 2017, unless terminated earlier. By executing the Agreements, each of the Governmental Customers agreed to be a full-requirements electricity customer of the Authority and to support and pay for its share of the Authority's supply portfolio dedicated to the Governmental Customers. The Agreements require that the Authority and the Governmental Customers engage in an 'Annual Process' prior to the next calendar year ('Rate Year') to determine the fixed and variable costs of service, future energy and fuel market risks, hedging strategies, submission of load forecasts and supply resource planning. During this process, the Governmental Customers are obligated to propose three cost-recovery options for analysis by the Authority. The Authority must develop estimated costs for the cost-recovery options in accordance with the specified criteria and offer them to the Governmental Customers for selection. The Governmental Customers are required by the Agreements to select one of the energy cost-recovery options by June 15 [or another mutually agreed date] of the year preceding the applicable Rate Year. In the event the Governmental Customers are not able to agree on and/or do not select an option by June 15 [or another mutually agreed date], the Authority implements the Default Option.

"Once the option is determined, the Authority is obligated to obtain market prices for the Hedge Transaction components of the selected option. If the option is an Energy Charge Adjustment ('ECA') with Hedging Option and the prices of the option are within a 5% tolerance of the prices contemplated by the option, the Authority is authorized to proceed with the execution of the Hedge Transactions. Should the actual cost exceed 5%, the Authority cannot proceed without the consent of the Governmental Customers, and in the event there is no consent within 10 days, the Authority will implement the Default Option. An ECA option, which may be applicable for 2010, is a full variable-cost pass-through option using an ECA, and, once selected, is the only type of option permitted by the Agreements for at least two consecutive Rate Years.

"Generally, Hedge Transactions serve to fix the price paid for actual purchases of energy or fuel in the future. If the Authority entered into an energy swap where it agreed to pay the counterparty a fixed price and the counterparty agreed to pay the Authority the market price, the Authority would always pay the fixed price per MWH regardless of market fluctuation. Essentially, the Authority would pay to the counterparty the difference between the fixed price and the market price when the market price is lower than the fixed price. The counterparty would pay the Authority the difference between the fixed price and a higher market price. This payment would be used by the Authority to offset physical purchases in the market at the higher price.

"For the 2006 Rate Year, the Governmental Customers did not select one of the cost-recovery options defined by them, so the Default Option designed and developed by the Authority was implemented. For the 2007, 2008 and 2009 rate years, the Governmental Customers collectively elected an ECA with Hedging Options.

DISCUSSION

"For the 2010 Rate Year, the Governmental Customers and Power Authority are currently in discussions regarding the hedging strategy. Through a consultative process, the Authority will collaborate with the Governmental Customers during the implementation of the anticipated hedging strategy to achieve the best outcome. Because the Hedge Transactions are market based and could influence the market, a summary analysis of the Hedge Transactions associated with, and presently contemplated by, the Governmental Customers and the Power Authority will be presented to the Trustees for discussion in Executive Session if required. The monetary cap that needs to be authorized to implement the Agreement is included in the summary analysis. In the event the cost of the Hedge Transactions exceeds the anticipated cost by 5%, the Authority will require consent from the Governmental Customers before continuing with the implementation.

"Multiple, varied and sizeable hedges will be necessary to implement the hedging strategy option selected by the Governmental Customers. Timely implementation of the hedging strategy will be necessary to obtain Hedge Transactions at current market prices. The nominal value (price x volume) of the individual Hedge Transactions will likely exceed the maximum individual transactional authority granted to Authority officers. The current 'Transaction Authorization Limits for Energy and Energy-Related Financial Transactions,' (which was Exhibit '7-A' to a Trustee item dated February 26, 2008), attached hereto as Exhibit '2g-A,' provides that any Hedging Transaction in excess of $15 million in nominal value requires the Senior Vice President – Energy Resource Management to obtain the written concurrence of the Executive Vice President and General Counsel, the Executive Vice President and Chief Financial Officer and the Vice President – Energy Risk Assessment and Control. Since delay in executing the Hedge Transactions could be very costly, it is important that the Authority have sufficient flexibility to proceed quickly in executing the Hedge Transactions.

"Expanded Hedge Transaction authority allowing Hedge Transactions above $15 million, with a monetary cap and consistent with the selected cost recovery option, would permit the Senior Vice President – Energy Resource Management to approve Hedge Transactions that exceed both (i) the fuel and electric per-transaction limits for financial hedge transactions and (ii) the spot-trade limits for physical transactions established by the Trustees. The aggregate nominal value of the Hedge Transactions will be limited to the monetary cap for Hedge Transactions set forth to meet the cost recovery option. The Hedge Transactions will include both purchases and sales.

"While the cumulative authority sought represents a significant commitment, the value of the commitment does not give rise to a dollar-for-dollar financial exposure for the Authority. As explained earlier, the Authority's financial exposure created by the proposed authorization for Hedge Transactions (most typically swaps and NYMEX contracts) would be measured by the difference between the fixed price the Authority would pay and the floating price to be paid by the counterparty. If the market price rises above the fixed price, payments would he made to the Authority based on the difference. If the market price falls below the fixed price, the Authority would make payments based on the difference. It is these differences that will determine the Authority's (and counterparties') financial obligations. Regardless, the costs associated with the Governmental Customers' selected hedging strategy will be recovered in their 2010 rates.

"In prior requests to increase Hedge Transaction authorization for the Governmental Customers' selection of the ECA with Hedging Option, authority was sought and provided to the Senior Vice President – Energy Resource Management with the concurrence of the Executive Vice President and General Counsel, the Executive Vice President and Chief Financial Officer and the Vice President – Energy Risk Assessment and Control. The concurrence of these managers is not being sought here. Given the specificity of the Hedge Transactions requested by the Governmental Customers, the Trustees' approval of the execution of the Hedge Transactions, coupled with the monetary cap, the pass-through of costs to the Governmental Customers and the necessity for Governmental Customer approval of any Hedge Transactions in excess of 5%, such concurrence is neither necessary nor warranted.

"The Senior Vice President – Energy Resource Management will report to the Trustees on the implementation of the Hedge Transactions upon final execution of transactions comprising the elements of the cost recovery option for the 2010 Rate Year, or as may otherwise be requested by the Trustees.

FISCAL INFORMATION

"Since the costs associated with the Authority's implementation of the hedging strategy will be fully recovered in the Governmental Customers' 2010 rates, there will be no costs to the Authority for implementing the selected cost recovery option as provided for in the Agreement.

RECOMMENDATION

"The Senior Vice President – Energy Resource Management and the Senior Vice President – Marketing and Economic Development recommend that the Trustees grant authority to the Senior Vice President – Energy Resource Management to execute Hedging Transactions consistent with the cost recovery option selected by the Governmental Customers.

"The Executive Vice President and General Counsel, the Executive Vice President and Chief Financial Officer, the Vice President – Energy Risk and Control and I concur in the recommendation."

The following resolution, as submitted by the President and Chief Executive Officer, was unanimously adopted.

RESOLVED, That the Senior Vice President – Energy Resource Management is hereby authorized to enter into, on behalf of the Authority, those Hedge Transactions requested by the Governmental Customers in connection with the cost recovery option selected by the Governmental Customers for the 2010 Rate Year under the New York City Governmental, Customers' Long-Term Agreements, consistent with the Hedge Transaction authority provided for in "Transaction Authorization Limits for Energy and Energy-Related Financial Transactions" (Exhibit "7-A" to a Trustee item dated February 26, 2008), except insofar as the Senior Vice President – Energy Resource Management is authorized to enter into such Hedge Transaction in excess of $15 million without the need to obtain managerial concurrence; and be it further

RESOLVED, That the Chairman, the Vice Chairman, the President and Chief Executive Officer, the Chief Operating Officer and all other officers of the Authority are, and each of them hereby is, authorized on behalf of the Authority to do any and all things, take any and all actions and execute and deliver any and all agreements, certificates and other documents to effectuate the foregoing resolution, subject to the approval of the form thereof by the Executive Vice President and General Counsel.

Authorization Limits[1] for Energy- and Energy Hedging-Related Transactions[2]

(financial and physical settlement, spot and term tenure, excluding transactions with the NYISO)

	Physical	**Financial**		**Transaction Notional Value** [3, 4, 5]			Term[6, 4]
Title[7]	--	OTC	NYMEX[8]	Fuel[9], [10] ($MM)	Electricity[11] ($MM)	Emissions[12] ($MM)	(months)
President and Chief Executive Officer	✓	✓	✓	30	30	10	48
Chief Operating Officer	✓	✓	✓	30	30	10	48
Executive Vice President and Chief Financial Officer	✓	✓	✓	30	30	10	48
Executive Vice President – Energy Marketing and Corporate Affairs	✓	✓		30	30	10	48
Senior Vice President and Chief Engineer – Power Generation	✓			25		4	36
Senior Vice President – Energy Resource Management and Strategic Planning	✓	✓	✓	20	20	2	36
Senior Vice President – Marketing and Economic Development	✓	✓			25	1	36
Director – Power Resource Planning and Acquisition	✓	✓			15	1	24
Others - trading authorization limits delegated by respective department executive[13]							

Notes to table:

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1 All limits apply only to transactions with external counterparties and each limit operates independently of every other limit.

2 The Vice President – Chief Risk Officer shall determine what instruments qualify as a financial instrument and/or energy-related financial transaction for hedging purposes, and what constitutes an emission, emission credit or environmental attribute.

[3] Notional value for a specific transaction is calculated as the volume of the commodity (or in the case of a derivative transaction, the volume of the underlying commodity) times the contracted per-volume price. For futures or options, this price is typically referred to as the strike price. Multiple transactions entered into with the same counterparty in a single day for the same delivery date or transaction period are considered a single transaction for purposes of this limit.

[4] Transactions exceeding the notional value or term authorization limits require the specific authorization of the Trustees, except in cases where the President and Chief Executive Officer is of the view, based on recommendations by the Vice President – Chief Risk Officer and/or other Authority officers, that a proposed transaction exceeding the limits must be entered into on an expedited basis to protect the Authority from adverse financial consequences. In this circumstance, the President and Chief Executive Officer shall be authorized to approve such transactions with the approval of the Chairman or, if the Chairman is unavailable, the Vice Chairman; and in the event that the President and Chief Executive Officer is not available, the Senior Vice President and Chief Engineer – Power Generation, in cases involving fuel-related transactions, and the Executive Vice President and Chief Financial Officer, in cases involving either financial or physical transactions, shall be so authorized.

[5] In addition, in the case of any physical or financial transaction having a value of $15 million or more, prior to any officer or staff member approving such transaction under the authority granted hereunder, such officer or staff member would obtain the verbal concurrence of (a) those members of his or her staff at the level of Manager and above (or their designees in the case of their absence) having responsibility for such transaction, (b) the Executive Vice President, General Counsel and Chief of Staff as to the acceptability of the contractual arrangement governing such transaction and (c) in the case of financial derivative and physical transactions, the Vice President – Chief Risk Officer, or, in his absence, his designee, as to the acceptability of the transaction from a risk management perspective. Such verbal concurrence shall be followed up with written concurrence within 3 working days of the actual execution of such transaction.

[6] Transaction term is measured as the period from the date a transaction is entered into through the last day of delivery. For example, a transaction entered into in January 2007 to purchase natural gas for delivery during the month of January 2008 has a term of 13 months. However, an exception to this limitation is warranted for interruptible natural gas transportation ('IT') contracts because IT contracts are generally understood to be evergreen in nature and do not obligate or commit the Authority, except as the Authority determines in its sole discretion, to transport natural gas consistent with the tariff provisions of such transporting pipeline.

[7] Titles are representative of executive personnel under current Authority organizational structure. Where future organizational changes revise specific position titles, the designated transaction authorization levels are applicable to the individuals within those new titles provided that the President and Chief Executive Officer deems that such new title is the successor for the purpose of the delegations of authority herein.

[8] The aggregate purchase cost of all NYMEX contracts (natural gas, fuel oil, jet kero) not to exceed $250 million.

[9] Fuel-related transactions include the purchase or sale of physical fuel that can be burned at an Authority fossil-powered generation facility, as well as financially settled derivative transactions where such fuels are the underlying commodity, or derivative transactions for fuels recognized as representative for hedging purposes of those fuels burned at an Authority fossil-powered generating facility. These transactions also include contracts for the transportation of fuel, as well as financially settled derivative transactions where transportation is the underlying commodity.

[10] The cumulative volume represented by the physical fuel transactions plus the equivalent volume obligated by the financial transactions, if such were to be physically delivered, for a particular Authority generating facility or group of facilities (i.e., Small Clean Power Plants) cannot exceed the maximum volume of fuel that could be consumed and/or stored at such facility(ies) during any time period. The cumulative volume represented by the physical electricity for a particular Authority customer or customer group (i.e., SENY Governmental Customers) cannot exceed the maximum volume of electricity that could be consumed by that customer during any time period. The Senior Vice President – Energy Resource Management and Strategic Planning shall delegate specific volumetric control limits to immediate managers, and they to their respective staff, to ensure such total volumetric limits are not exceeded. Such delegation of volume limits shall be subject to the approval of the Vice President – Chief Risk Officer, or his designee.

[11] Electricity-related transactions include the purchase or sale of electrical energy or capacity products locationally within the area controlled by the New York Independent System Operator ('NYISO'), or within an area contiguous to that controlled by the NYISO where protocols are in place to facilitate the transfer of such products to within NYISO's area. Electricity-related transactions also include financially settled derivative transactions where such electricity products are the underlying commodity. These transactions may also include contracts for the transmission of electrical energy, as well as financially settled derivative transactions where transmission is the underlying commodity.

[12] Emissions-related transactions include the purchase or sale of CO_2 emissions under the RGGI program (or any successor program), nitrous oxide (NOx) or sulfur dioxide (SO_2) emissions credits under either U. S. Environmental Protection Agency or New York State Department of Environmental Conservation programs (or successor programs). The transactions may also include the purchase or sale of other emissions, emissions credits or environmental attributes (such as green tags), as those terms may be defined, not specifically cited herein subject to the approval of the Vice President – Chief Risk Officer.

[13] Trading authorization limits may be delegated for a short or extended term. All delegations, whether in whole or in part, and re-authorizations, must be in the written format prescribed by the Vice President – Chief Risk Officer. Extended-term delegations must be signed by the staff member receiving the delegation, approved by the immediate supervisor of the delegating manager, co-signed by the Vice President – Chief Risk Officer or his designee, accompanied by the staff member's certification of his or her understanding of all applicable Authority policies and procedures and re-authorized annually. In the case of short-term delegation, such as during a period of vacation or illness, unless specifically stated otherwise, the full trading authorization limits are considered to be delegated.

h. Procurement (Services) Contracts – Business Units and Facilities – Awards and Extensions

The President and Chief Executive Officer submitted the following report:

SUMMARY

"The Trustees are requested to approve the award and funding of the multiyear procurement contracts listed in Exhibit '2h-A,' as well as the continuation and funding of the procurement contracts listed in Exhibit '2h-B,' in support of projects and programs for the Authority's Business Units/Departments and Facilities. Detailed explanations of the recommended awards, including the nature of such services, the bases for the new awards if other than to the lowest-priced bidders and the intended duration of such contracts, are set forth in the discussion below.

BACKGROUND

"Section 2879 of the Public Authorities Law and the Authority's Guidelines for Procurement Contracts require the Trustees' approval for procurement contracts involving services to be rendered for a period in excess of one year.

"The Authority's Expenditure Authorization Procedures ('EAPs') require the Trustees' approval for the award of non-personal services, construction, equipment purchase or non-procurement contracts in excess of $3 million, as well as personal services contracts in excess of $1 million if low bidder, or $500,000 if sole source or non-low bidder.

"The Authority's EAPs also require the Trustees' approval when the cumulative change- order value of a personal services contract exceeds the greater of $500,000 or 25% of the originally approved contract amount not to exceed $500,000, or when the cumulative change-order value of a non-personal services, construction, equipment purchase or non-procurement contract exceeds the greater of $1 million or 25% of the originally approved contract amount not to exceed $3 million.

DISCUSSION

Awards

"The terms of these contracts will be more than one year; therefore, the Trustees' approval is required. Except as noted, all of these contracts contain provisions allowing the Authority to terminate the services for the Authority's convenience, without liability other than paying for acceptable services rendered to the effective date of termination. Approval is also requested for funding all contracts, which range in estimated value from $95,000 to $11 million. Except as noted, these contract awards do not obligate the Authority to a specific level of personnel resources or expenditures.

"The issuance of multiyear contracts is recommended from both cost and efficiency standpoints. In many cases, reduced prices can be negotiated for these long-term contracts. Since these services are typically required on a continuous basis, it is more efficient to award long-term contracts than to rebid these services annually.

Extensions

"Although the firms identified in Exhibit '2h-B' have provided effective services, the issues or projects requiring these services have not been resolved or completed and the need exists for continuing these contracts. The Trustees' approval is required because the term of extension of these contracts will exceed one year. The subject contracts contain provisions allowing the Authority to terminate the services at the Authority's convenience, without liability other than paying for acceptable services rendered to the effective date of termination. These contract extensions do not obligate the Authority to a specific level of personnel resources or expenditures.

"Extension of the contracts identified in Exhibit '2h-B' is requested for one or more of the following reasons: (1) additional time is required to complete the current contractual work scope or additional services related to the original work scope; (2) to accommodate an Authority or external regulatory agency schedule change that has delayed, reprioritized or otherwise suspended required services; (3) the original consultant is uniquely qualified to perform services and/or continue its presence and re-bidding would not be practical or (4) the contractor provides a proprietary technology or specialized equipment, at reasonable negotiated rates, that the Authority needs to continue until a permanent system is put in place.

"The following is a detailed summary of each recommended contract award and extension.

Contract Awards in Support of Business Units/Departments and Facilities:

Energy Marketing and Business Development

Energy Services and Technology

"The Authority provides energy efficiency and renewable energy program services primarily to its governmental customers in Southeastern New York, as well as to public entities throughout the State. Such programs have resulted in annual savings of 1 million MWh of electricity since the late 1980s through cumulative investments in energy services projects exceeding $1.1 billion since the program's inception. The Authority now plans to expand its investment in energy efficiency measures for program participants by an additional $1.3 billion, with expected annual investments of more than $200 million by 2012 or earlier. The Authority has also been a leader in renewable energy resources in New York and has invested more than $20 million in renewable energy technologies in the State since the late 1980s, including the installation of 30 solar photovoltaic ('PV') systems and 15 fuel cells, generating more than 3.5 MW of renewable energy capacity. An additional $21 million has been approved to demonstrate large-scale PV and fuel cell installations at selected sites throughout the State, as well as to develop a thermal solar program for the Authority's municipal and rural cooperative customers. The contracts with **AWS Truewind, LLC ('AWS')** and **Optimal Energy, Inc. ('Optimal Energy') (Q09-4510; PO# TBA)** would provide for consulting services in connection with the Authority's expanded energy efficiency and renewable energy program initiatives, in order to ensure the successful implementation of these programs. Such services will include assisting the Authority in assessing the existing programs and developing a comprehensive program evaluation plan, as well as advising the Authority regarding the identification and development of new renewable program offerings and opportunities, including project site selections and technical evaluation services. To this end, bid documents were downloaded electronically from the Authority's Procurement website by 90 firms, including those that may have responded to a notice in the New York State *Contract Reporter*. Thirteen proposals were received for one or more of the above options and were evaluated on the following criteria: relevant experience of the firm; experience in evaluating energy efficiency and renewable energy programs; organization of the project team; qualifications of the support staff; financial resources; location/s of support offices and proposal content and format. Of this number, four proposals were not considered due to the higher-than-average hourly rates; and three of the lower-priced bidders did not meet the bid requirements and were not considered further. The proposals of the five lowest-priced qualified bidders, as well as that of a sixth bidder possessing unique technical qualifications in renewable energy, were evaluated further. Staff recommends award of contracts to two firms: Optimal Energy, the lowest-priced qualified bidder that meets the bid requirements and has both the resources and qualifications to complete the scope of work identified in the RFP for both energy efficiency and renewable energy tasks; and AWS, the most technically qualified bidder in renewable energy, to perform feasibility and site assessments and to supplement work assigned to Optimal Energy for the renewable program, as may be required. AWS is a worldwide leader in such renewable energy resource assessments; the firm is uniquely staffed with meteorologists and scientists who have generated the primary wind and solar resource data used by other consulting firms, renewable energy developers and national laboratories (e.g., AWS has served as technical consultant to both the New York State Energy Research and Development Authority and the National Renewable Energy Laboratory to develop wind resource assessment tools and programs); and, based in Albany, AWS is also very familiar with New York State renewable energy resources and will be able to provide timely support for the Authority's activities in this area. None of the other bidders demonstrated this level of relevant experience. The contracts would become effective on July 1, 2009 for an intended term of up to three years, subject to the Trustees' approval, which is hereby requested. Approval is also requested for the total aggregate amount expected to be expended for the term of the contracts, $1 million.

"The contracts with **Bohler Engineering, P. C. ('Bohler')** and **Schuyler Engineering, P.C. ('Schuyler') (Q09-4534; PO#s TBA)** would provide for preparation and filing of applications and other documents necessary to obtain required approvals from the New York City Department of Buildings ('NYCDOB') in connection with implementing the Authority's energy services projects for many of its customers. Services also include, but are not limited to, related expediting services and providing ongoing consultations regarding building codes and procedures, as needed. Bid documents were downloaded electronically from the Authority's Procurement website by 39 firms, including those that may have responded to a notice in the New York State *Contract Reporter*. Four proposals were received and evaluated; three proposals were fully responsive and one did not meet the bid requirements and was not evaluated further. A fifth proposal was received after the bid due date and was returned to the bidder unopened. Staff recommends award of contracts to two firms, Bohler and Schuyler, the lowest-priced bidders, which are qualified to perform such services and meet the bid requirements. The award of contracts to two firms will ensure the availability of sufficient resources to obtain all necessary work permits during periods of peak work volume, in order to meet project schedules. The contracts would become effective on July 1, 2009 for an intended term of up to five years, subject to the Trustees' approval, which is hereby requested. Approval is also requested for the total aggregate amount expected to be expended for the term of the contracts, $100,000. All costs will be recovered by the Authority.

"The contract with **Millennium Maintenance & Electrical Contractors, Inc. ('Millennium') (Q09-4476; PO# TBA)** would provide for installation services for sample/ prototype lighting fixtures in connection with the Authority's energy conservation projects at various locations in Westchester County and New York City. Bid documents were downloaded electronically from the Authority's Procurement website by 22 firms, including those that may have responded to a notice in the New York State *Contract Reporter*. Five proposals were received and evaluated. Staff recommends award of a contract to Millennium, the lowest-priced bidder, which is qualified to perform such services, meets the bid requirements and has provided satisfactory service under an existing contract for such work. The contract would become effective on July 1, 2009 for an intended term of up to two years, subject to the Trustees' approval, which is hereby requested. Approval is also requested for the total amount expected to be expended for the term of the contract, $500,000. All costs will be recovered by the Authority.

Enterprise Shared Services

Corporate Support Services

"The contract with **Integrated Systems and Power, Inc. ('IS&P') (Q09-4478; PO# TBA)** would provide for maintenance and repair services for the fire alarm system in the Authority's Clarence D. Rappleyea Building and garage. Services include, but are not limited to, maintenance and repair of all building and garage local panels, smoke detectors, heat sensors, bell/strobes, horn/strobes and speakers; quarterly testing of building and garage alarm systems; annual testing of tenant alarm systems; central station monitoring and dialer maintenance; coordination and testing of tie-ins for new construction build-outs with general contractors and electricians; 24-hour on-call service; and documentation indicating functional testing and performance of fire alarm systems for quarterly, annual and new construction and repairs testing. Bid documents were downloaded electronically from the Authority's Procurement website by 10 firms, including those that may have responded to a notice in the New York State *Contract Reporter*. Three proposals were received and evaluated. Staff recommends award of a contract to IS&P, the lowest-priced bidder, which is qualified to perform such services and meets the bid requirements. The contract would become effective on July 1, 2009 for an intended term of up to five years, subject to the Trustees' approval, which is hereby requested. Approval is also requested for the total amount expected to be expended for the term of the contract, $150,000.

"The contract with **The Trane Company ('Trane') (Q09-4548; PO# TBA)** would provide for preventive maintenance and service repairs for two Trane chillers at the Authority's Clarence D. Rappleyea Building. This award is made on a sole-source basis, since Trane is the original equipment manufacturer and, as such, is uniquely qualified to perform such services, and has quick access to parts and technical information related to its proprietary software (Trane Tracer Program) in order to service this equipment in a timely and cost-effective manner. Furthermore, Trane has provided satisfactory service under an existing contract for such work. There were no respondents to a notice in the New York State *Contract Reporter* of the Authority's intent to enter into a sole-source

contract with Trane. The new contract would become effective on July 1, 2009 for an intended term of up to five years, subject to the Trustees' approval, which is hereby requested. Approval is also requested for the total amount expected to be expended for the term of the contract, $95,000.

Information Technology

"Deregulation of the electric and natural gas markets and fluctuating oil prices introduced uncertainty into projecting price trends for these energy commodities, which, in turn, increased the need for long-range energy planning models and tools. The Authority's Integrated Resource Planning ('IRP') group, responsible for developing long-term resource plans for the Authority, currently relies on external consultants to run proprietary software models and interpret data to assist the Authority in developing and maintaining its long-range resource plan. The Energy Resource Management ('ERM') group, responsible for short-term planning, currently uses the Fast Forward forecasting application, augmented by external consultants, for its short-term planning activities. Based on the results of a previous competitive bid for a short-term forecasting solution, for which no contract was awarded, two vendors were identified as the only technically qualified firms to propose solutions that would meet the Authority's business needs, objectives and functional requirements for energy planning. The Authority continued to search for additional firms capable of meeting these planning needs and refined the scope of the original RFP. The two previously qualified firms were invited to submit proposals to provide software solutions to develop integrated resource plans and forecast energy and capacity prices and to identify the impact of changing conditions in the marketplace (including new plants, plant retirements and emerging technologies for both short- and long-term planning). Two proposals were received and evaluated. Although the smaller of the two firms demonstrated a thorough understanding of the Authority's business requirements and functional expertise in short-term forecasting modeling, its long-term market analysis tools were not fully developed or integrated into resource planning and forecast modeling solutions; the evaluation team determined that this firm did not meet the Authority's requirements and was not considered further. Based on the other firm's depth and breadth of experience and expertise in long-term power system planning and modeling, energy industry information databases and analysis consulting, as well as its demonstrated understanding of the Authority's business needs and processes, its proposed methodology and integrated suite of applications, staff therefore recommends award of a contract to **Ventyx Energy, LLC ('Ventyx') (Q09-4482; PO# TBA)**, the more technically qualified bidder, which meets the bid requirements and the Authority's business needs and objectives. The contract with Ventyx would provide for an Integrated Resource Plan and Generation Dispatch Modeling Forecast System Software Solution for short- and long-term energy planning. Due to the urgent need to initiate planning discussions with Ventyx, as well as to lock in the pricing and related discounts, interim approval was obtained to issue a Letter of Intent on June 15, 2009, to enter into a contract with Ventyx for a term of up to five years, subject to the Trustees' approval, which is hereby requested. Approval is also requested for the total amount expected to be expended for the term of the contract, $1.9 million.

Power Supply

"The contract with **Bancker Construction Corp. ('Bancker') (P09-99476; PO# TBA)** would provide for excavating services for the Southeastern New York ('SENY') plants (Charles A. Poletti, 500 MW, Richard M. Flynn and the Small Clean Power Plants) on an 'as needed' basis. Services include all labor, supervision, equipment and materials to excavate and repair any onsite subsurface steam, water, gas, drain or fuel pipe lines, including properly shoring a trench when necessary, and replacing the surface to the original condition after all such repairs are complete. Tasks may include excavating and reinforcing trenches/holes of various depths and lengths to uncover underground water, steam, fuel, oil and electrical utilities; pumping water out of any excavations that become filled due to rain or leakage and responding to emergent excavation issues in a timely manner. Bid documents were downloaded electronically from the Authority's Procurement website by 54 firms, including those that may have responded to a notice in the New York State *Contract Reporter*. Five proposals were received and evaluated. Staff recommends award of a contract to Bancker, the lowest-priced evaluated bidder, which is qualified to perform such services, meets the bid requirements and has provided satisfactory service under an existing contract for such work. The new contract would become effective on July 1, 2009 for an intended term of up to three years, subject to the Trustees' approval, which is hereby requested. Approval is also requested for the total amount expected to be expended for the term of the contract, $750,000.

"The contract with Merit Constructors Inc. ('Merit') (P09-99479; PO# TBA) would provide for repair services on fences, gates, hinges, new installations, barbed wire, etc. at the SENY plants on an 'as needed' basis. Bid documents were downloaded electronically from the Authority's Procurement website by 30 firms, including those that may have responded to a notice in the New York State *Contract Reporter*; one other vendor responded to the Request for Quotations without downloading. Five proposals were received and evaluated. Staff recommends award of a contract to Merit, the lowest-priced evaluated bidder, which is qualified to perform such services and meets the bid requirements. The contract would become effective on July 1, 2009 for an intended term of up to three years, subject to the Trustees' approval, which is hereby requested. Approval is also requested for the total amount expected to be expended for the term of the contract, $175,000.

"The contract with **Professional Health Services, Inc. ('PHS') (S0901 / 6000100036; PO# TBA)** would provide for annual physical examinations, as well as respirator clearance and fit tests, where applicable, for up to 200 employees at the St. Lawrence/FDR Project, as required by all applicable safety and health standards, federal and State requirements and Authority policy. Bid documents were downloaded electronically from the Authority's Procurement website by five firms, including those that may have responded to a notice in the New York State *Contract Reporter*. A sixth firm requested that a bid package be sent and a hard copy was mailed accordingly. Two proposals were received and evaluated. Staff recommends award of a contract to PHS, the lower-priced bidder, which is qualified to perform such services, meets the bid requirements and has provided satisfactory service under an existing contract for such work. The new contract would become effective on September 1, 2009 for an intended term of up to three years, subject to the Trustees' approval, which is hereby requested. Approval is also requested for the total amount expected to be expended for the term of the contract, $130,800.

"In 1998, a contract was competitively bid and awarded to **Software Sense Enterprises, Inc. ('SSEI') (formerly Software Sense Systems)** to provide for a safety and clearance tagging system ('lockout/tagout') with an outage coordination feature for the Authority's generation and transmission facilities. The system was implemented in connection with the Power Supply Maintenance Resource Management ('MRM') work management program. The contract provided for specialized application software ('PTR-Plus!') to develop, issue and control safety clearances, as well as associated maintenance, training and related consulting services, including customized software interfaces to the Authority's MRM software system (MAXIMO) and the Energy Control Center. The PTR-Plus! software has been successfully tailored to reflect the Authority's work practices, enabling employees to work safely on de-energized equipment. The software and its interfaces to other components of the MRM program have become essential to the work management and safety processes that have been established at the Authority. In order to provide for the continuation of such specialized services and support for this program, the Trustees have approved several extensions of and additional funding for such services during the past 10 years, most recently at their meeting of June 29, 2004, for the award of a new sole-source contract to SSEI for a term of up to five years. Since the existing contract is expiring and the need for such services is ongoing, staff recommends the award of a new sole-source contract to SSEI, based on the firm's unique qualifications, expertise and knowledge of its proprietary software system. SSEI has successfully integrated the Authority's requirements into this software application in order to establish a safe electrical working environment and coordinate multiple concurrent outages. The Authority's lockout/tagout safety system has become a leader in the electric utility industry. Services would include providing the operations and maintenance departments at each operating facility with continued 24/7 maintenance for this proprietary software product, as well as consulting services for ongoing software upgrades, custom revisions and specialized modifications to the PTR-Plus! application software and training, as the lockout/ tagout work process is improved or otherwise revised, as needed. The new contract (PO# TBA) would become effective July 1, 2009 for an intended term of up to five years, subject to the Trustees' approval, which is hereby requested. Approval is also requested for the total amount expected to be expended for the term of the contract, $275,000.

"The contract with **TechnoScouts, Inc. ('TSI') (Q09-4530; PO# TBA)** would provide for consulting services in connection with the implementation of air program requirements for emissions sources at the Authority's SENY plants (Charles Poletti, 500 MW, Richard M. Flynn and Small Clean Power Plants), in compliance with all applicable federal, State and local regulations. Services include executing various tasks related to the organization of the air program, as well as providing onsite personnel for technical and operations support. Such tasks include, but are not limited to, developing air program management and QA/QC manuals, Title V Permit reporting (which includes gathering performance and operating data, data review and development of supporting documentation), preparation of compliance certifications, air emission statements/reports and electronic data reporting for the

Continuous Emissions Monitoring Systems. Bid documents were downloaded electronically from the Authority's Procurement website by 45 firms, including those that may have responded to a notice in the New York State *Contract Reporter*; one other firm responded to the Request for Quotations without downloading. Six proposals were received and evaluated; two proposals did not meet the bid requirements and were not evaluated further. The evaluation criteria included, but were not limited to: documented Title V permit compliance and regulatory experience, demonstrated understanding of the required tasks, detailed planning to ensure fulfillment of the tasks and sample documents. Based on the foregoing, staff recommends award of a contract to TSI, the lowest-priced qualified bidder, which meets the bid requirements and has provided satisfactory services under an existing contract for related work. The contract would become effective on July 1, 2009 for an intended term of up to three years, subject to the Trustees' approval, which is hereby requested. Approval is also requested for the total amount expected to be expended for the term of the contract, $1 million.

"The contract with **Utility Pole Technologies, Inc. ('UPT') (Q09-4516; PO# TBA)** would provide for the inspection, evaluation and supplemental remedial treatment of approximately 6,700 in-service transmission line wood poles in St. Lawrence, Franklin, Clinton, Lewis, Delaware, Sullivan and Orange counties. Services include, but are not limited to, all labor, supervision, tools, equipment, preservatives and materials to perform all requisite visual and sound inspection, sound and bore inspection, partial excavation, excavation and treatment, external ground-line treatment, fumigant treatment and internal void treatment (with ant treatment, where applicable). Poles more than eight years old will be inspected both above and below the ground-line area. Bid documents were downloaded electronically from the Authority's Procurement website by 22 firms, including those that may have responded to a notice in the New York State *Contract Reporter*. Three proposals were received and evaluated. Staff recommends award of a contract to UPT, the lowest-priced bidder, which is qualified to perform such services and meets the bid requirements. The contract would become effective on July 1, 2009 for an intended term of up to two years, subject to the Trustees' approval, which is hereby requested. Approval is also requested for the total amount expected to be expended for the term of the contract, $670,967.

"Cultural resources compliance is an integral element of the permitting process that requires strategic and knowledgeable approaches to identify, evaluate and document cultural and historic resources. Pursuant to the new licenses for the Niagara and St. Lawrence/FDR Projects and the related Historic Properties Management Plans ('HPMP') and/or Programmatic Agreements among the Authority, State and federal resource agencies, local and tribal governments and non-governmental organizations, the Authority has undertaken and will continue to undertake numerous activities and projects at these and other locations where such activities and projects may have the potential to impact cultural and historic resources. The five contracts with **Gray & Pape, Inc. ('Gray & Pape'), Hartgen Archeological Associates, Inc. (a New York State-certified Woman's Business Enterprise) ('Hartgen'), Landmark Archeology, Inc. ('Landmark'), TRC Environmental Corp. ('TRC')** and **VHB Engineering, Surveying and Landscape Architecture, P. C. ('VHB') (Q09-4507; PO# TBA)** would provide for cultural resources consulting services to assist the Authority on an 'as needed' basis, by conducting cultural resources surveys and evaluations related to the investigation and management of cultural and historic resources at various Authority or third-party facilities, as mandated by various federal, State and local statutory requirements. Services include, but are not limited to: implementation of various field and office investigations related to the potential effect of Authority activities on cultural and historic resources; documentation of cultural and historic resources to be altered or demolished; monitoring of existing cultural and historic resources to assess the potential effects of project operations, construction, erosion, vehicle traffic and/or vandalism; providing support to the Authority in responding to unanticipated discoveries of human remains and archeological resources and the preparation of nomination documents for resources that may be eligible for listing in the National Register of Historic Places. Bid documents were downloaded electronically from the Authority's Procurement website by 86 firms, including those that may have responded to a notice in the New York State *Contract Reporter*. Eighteen proposals were received and evaluated. Based on a cost evaluation, the eight lowest-priced evaluated bidders were identified; a technical evaluation was performed based on the bidders' personnel meeting the Secretary of the Interior's Professional Qualification Standards for cultural resources professionals and their ability to perform fieldwork and prepare reports in accordance with the various other standards set forth in the Request for Quotations ('RFQ'), and as further evidenced by the bidders' writing samples. Based on the foregoing, staff recommends award of contracts to five firms: Gray & Pape, Hartgen, Landmark, TRC and VHB, the lowest-priced evaluated bidders, which are qualified to perform such services and meet the bid requirements. The award of multiple contracts will ensure the availability of sufficient resources to cover assignments in all three regions specified in the RFQ

(Northern, Western and Southeastern New York), as needed, in a timely and cost-effective manner. Specific assignments will be determined by the consultant's area of expertise and experience, proximity to the field site, workload and ability to respond or other relevant criteria, including cost. The contracts would become effective on or about July 1, 2009 for an intended term of up to five years, subject to the Trustees' approval, which is hereby requested. Approval is also requested for the total aggregate amount expected to be expended for the term of the contracts, $625,000. Such contracts will be closely monitored for utilization levels, available approved funding and combined total expenditures.

"The four contracts with **B&N&K Restoration Co., Inc. ('B&N&K'), JBH Environmental, Inc. ('JBH'), OP-TECH Environmental Services, Inc. ('OP-TECH')** and **WRS Environmental Services, Inc. ('WRS') (Q09-4523; PO# TBA)** would provide for planned and emergency response asbestos abatement services at Authority facilities and sub-facilities throughout New York State. Services include asbestos abatement, transport and disposal services and emergency response services for asbestos removal, repair, encapsulation, enclosure or cleanup, on an 'as needed' basis, at Authority facilities in five geographic regions (Northern, Western, Capital, Central and Downstate New York). The scope of work includes all labor, supervision, material, equipment, vehicles, fuel, highway use taxes, insurance, permits, licenses, other forms of governmental approval and any other services necessary to contain, clean up, remove and transport asbestos-containing materials and asbestos-contaminated materials. The work will be performed by licensed asbestos contractors, in the most environmentally safe, responsible and timely manner and in compliance with all applicable federal, State and local laws and regulations and Authority specifications, and within a response time to each Authority facility of not more than three hours. All services must employ the most cost-effective, up-to-date and appropriate technologies that will efficiently mitigate the asbestos hazard. Bid documents were downloaded electronically from the Authority's Procurement website by 46 firms, including five that were invited to bid and those that may have responded to a notice in the New York State *Contract Reporter*; five other firms were also invited to bid but did not respond, and one additional vendor responded to the Request for Quotations without downloading. Six proposals were received and evaluated. Based on its ability to respond to an emergency within three hours, with sufficient labor, equipment and resources to perform the work, as well as proof of all requisite licenses, certifications, waste transporter permits and landfill sites, each bidder was determined to be technically qualified and able to perform such work. Each bidder's cost proposal, which was based on a predetermined formula that weighted each bid item as an estimated percentage of projected use, was then assessed. The bid items for each bidder were tabulated and a weighted average bid number was generated. The lowest weighted average bid was determined to be the lowest-priced evaluated bidder. Based on the foregoing, staff recommends award of contracts to four firms: B&N&K (for the Downstate region), JBH (for the Capital/Central region), OP-TECH (for all regions) and WRS (for the Northern and Western regions), the lowest-priced evaluated bidders in each region, which are technically qualified to perform such services and meet the bid requirements. The contracts would become effective on or about July 1, 2009 for an intended term of up to five years, subject to the Trustees' approval, which is hereby requested. Approval is also requested for the total aggregate amount expected to be expended for the term of the contracts, $1 million. Such contracts will be closely monitored for utilization levels, available approved funding and combined total expenditures.

"The five contracts with **Environmental Products & Services of Vermont ('EP&S of VT'), Miller Environmental Group ('Miller'), National Vacuum Corp. ('National Vacuum'), OP-TECH Environmental Services ('OP-TECH')** and **WRS Environmental Services, Inc. ('WRS') (Q09-4519; PO# TBA)** would provide for emergency oil spill response, clean-up and disposal services for the Authority's electric generating stations, substations, transmission facilities and maintenance and support facilities throughout the State. Emergency response services include containment, cleanup and recovery of substances such as No. 2 and No. 6 fuel oil, kerosene, lubricating oils, hydraulic fluids and dielectric fluids. Disposal services include the removal of spilled oil, contaminated environmental media, absorbents and debris from the Authority's facilities and the subsequent transportation of such oily waste to Authority-approved disposal facilities. All clean-up, transport and waste management services will be provided in the most environmentally safe, responsible and timely manner, in compliance with all federal, State and local laws, regulations and permit requirements. All services must employ the most cost-effective, up-to-date and appropriate technologies that will efficiently recover free product and clean up contaminated materials in a manner that minimizes waste generation. Bid documents were downloaded electronically from the Authority's Procurement website by 34 firms, including those that may have responded to a notice in the New York State *Contract Reporter*. Six proposals were received and evaluated; one proposal did not meet the bid requirements and was not evaluated further. The evaluation criteria included: proposal completeness,

response time to the Authority facility, amount and type of equipment at the contractor's staging facility, U. S. Coast Guard Oil Pollution Act of 1990 certification, indicating level of marine environment response capability and calculated costs for typical land and surface water spill scenarios. A contractor response time of two hours or less with sufficient resources to contain, control and clean up discharged oil was a primary factor in bidder selection. A cost associated for response and clean-up was established using contractor-supplied rates for labor and equipment based on a recent spill that required land and water response. The five qualified bidders were ranked based on this cost analysis. Based on the foregoing, staff recommends award of contracts to five firms, EP&S of VT, Miller, National Vacuum, OP-TECH and WRS, which are qualified to perform such services and meet the bid requirements. The award of multiple contracts will ensure that each facility will be able to obtain sufficient resources to respond to an oil spill within two hours of notification in a timely and cost-effective manner. The contracts would become effective on or about July 1, 2009 for an intended term of up to five years, subject to the Trustees' approval, which is hereby requested. Approval is also requested for the total aggregate amount expected to be expended for the term of the contracts, $3.75 million. Such contracts will be closely monitored for utilization levels, available approved funding and combined total expenditures.

"The three contracts with **Rotator Staffing Services, Inc. ('Rotator'), L. J. Gonzer Associates ('Gonzer')** and **Equa-Tech Services, LLC ('Equa-Tech') (Q09-4484; PO# TBA)** would provide for the services of temporary engineering personnel to support the Authority's facilities, as needed. Services may include engineers, technicians and support personnel in the following disciplines: electrical, mechanical, structural/civil, licensing, environmental, facility (HVAC, plumbing), fire protection, chemical, construction and construction management, cost and scheduling, instrumentation and control, estimating, quality assurance/quality control and code compliance; as well as procurement professionals, engineering aides and clerical aides. Tasks may include, but are not limited to: performing engineering calculations; system design; preparation of engineering sketches and drawings; preparation of procedures, schedules, purchasing specifications; review of design drawings; construction supervision; field engineering and procurement. Such personnel will also be used to support the Authority during outages, as well as non-outage maintenance and construction activities. There are approximately 12-15 such temporary engineering personnel on assignment at any given time, working under the Authority's direction and supervision, on several long-term capital projects. These include the Life Extension and Modernization and upgrade programs for the St. Lawrence/FDR, Niagara and Blenheim-Gilboa Projects, as well as the 500 MW Combined Cycle Plant. In addition, some personnel have been retained on a temporary basis to support the Project Management and Environment, Health and Safety Divisions at the White Plains Office. Since the existing contracts for such services are expiring and, based on current and anticipated staffing needs, as well as the ongoing need to continue services to support the aforementioned efforts, services were rebid. Bid documents were downloaded electronically from the Authority's Procurement website by 98 firms, including those that may have responded to a notice in the New York State *Contract Reporter*. Thirteen proposals were received and evaluated. Based on their mark-up rates for existing and new personnel, staff recommends the award of contracts to three firms: Rotator, Gonzer and Equa-Tech, the lowest-priced bidders, which are qualified to provide such services and meet the bid requirements; additionally, two of these firms have provided satisfactory services (personnel) under existing contracts. It should be noted that two of these firms have also agreed to hold their mark-up rates firm for the entire contract term; the third firm will only modify those components of its mark-up that may be statutorily adjusted on an annual basis and will pass through those percentage increases as may be required. These mark-up rates (which include federal and State unemployment taxes, FICA, workers' compensation insurance, overhead and fee) are among the lowest in the industry, at less than 20% for existing contractor personnel and 19.95-23% for new personnel. The new contracts would become effective on July 1, 2009 for an intended term of up to five years, subject to the Trustees' approval, which is hereby requested. Approval is also requested for the total aggregate amount expected to be expended for the term of the contracts, $11 million. Such contracts will be closely monitored for utilization levels, available approved funding and combined total expenditures.

Disposal-related Awards:

Enterprise Shared Services

Fleet Operations

"The two contracts with **Auctions International, Inc.** and **J. J. Kane Auctioneers ('J. J. Kane') (C09-032009BHS)** would provide for auction services for surplus Authority vehicles, equipment and other materials, on an 'as needed' basis. To this end, bid documents were downloaded electronically from the Authority's Procurement website by 14 firms, including three that were invited to bid and those that may have responded to a notice in the New York State *Contract Reporter*; five other firms were also invited to bid but did not respond. Three proposals were received and evaluated. Based on the information in its proposal, one of the bidders specializes in real estate foreclosures, business liquidations and bankruptcy auctions. It is unlikely that this firm would be able to attract a large or high-caliber pool of potential buyers for surplus electric utility vehicles and equipment; furthermore, the firm's fee structure was higher by comparison. A second bidder, Auctions International, operates exclusively via the internet to conduct online auctions and has no physical auction facility; Authority staff is of the opinion that the best auction results for vehicles and large equipment are achieved when bidders are able to inspect the equipment on site (not 'virtually' via photographs). Furthermore, the costs associated with the additional efforts required on the part of the Authority, as well as the setup fee per vehicle, would more than offset the savings realized from no commission fee. As an established, well-known nationwide auctioneer and a leader in utility industry absolute public auction sales, the third bidder, J. J. Kane, offers turnkey services with a full-time presence and more value to the Authority. The firm's expertise in utility industry auctions, as well as its contracts with several large investor-owned utilities and its commitment to thorough advertising, attracts and ensures participation by a greater number and higher-caliber of prospective buyers that offer the best prices. Services also include preparing fair market value estimates prior to any auctions, in compliance with the Public Authorities Accountability Act and the Authority's Guidelines and Procedures for the Disposal of Personal Property. J. J. Kane conducts five auctions per year in New York State (three in Rome and two on Long Island); its yard in Rome is only 13 miles from the Authority's facility in Marcy, keeping transportation fees to a minimum. Additionally, the Buyer's Premium (an additional fee equal to 10% of the highest quoted price to be paid to the auctioneer by the prospective buyer of each auctioned item) is reasonable, as is the 3% commission fee to be charged to the Authority. Based on the foregoing, staff recommends award of a contract to J. J. Kane, the most qualified bidder, which meets the bid requirements and is best-suited to meet the Authority's needs. Staff expects that the Authority will achieve the greatest return for its surplus vehicles, equipment and other materials with J. J. Kane, which has provided satisfactory service to the Authority during the past year and has a proven track record with recent successes in disposing of Authority vehicles and equipment totaling more than $1.2 million. Staff also recommends the award of a second contract to Auctions International to augment individual vehicle disposals through online auctions, as needed, or for comparison purposes. The contracts would become effective on July 1, 2009 for an intended term of up to three years, subject to the Trustees' approval, which is hereby requested. These are expected to be 'no cost' income-generating contracts; therefore, no funding is requested.

Contract Extensions:

Enterprise Shared Services

Information Technology

"In 2004, the Authority implemented an Energy Trading Portal ('Portal'), providing a single integrated gateway of information for traders, business analysts and executives in order to meet the evolving business needs of its Energy Resource Management group. At their meeting of June 27, 2006, the Trustees approved the award of a three-year contract, which was competitively bid, to **Perficient Inc. (4600001671)** and funding in the amount of $800,000, to provide for consulting services to enhance the Authority's Portal application. Services include, but are not limited to, designing, developing and implementing technical improvements and functional enhancements to the TIBCO integration software (the major Portal component, which extracts data from several internal Authority systems and external sources, and loads such data into one integrated database), as well as providing 'best practice' expertise and guidance to the Authority, as needed. Frequent modifications to the integration application are

required to meet emergent business needs and requirements for new data or data source changes. In order to maintain system reliability, it is critical that the application be properly maintained and monitored. A two-year extension is therefore requested to provide for the continuation of the strong technical support and expertise provided by Perficient staff, which is integral to implementing new requirements, solving any production issues that may arise and maintaining system reliability. Such expertise would also be a valuable asset with respect to testing and verifying data during the Authority's planned transition to a newer, more cost-effective integration software/system, currently projected to be implemented by mid-2011. The current 'Target Value' is $800,000, of which $788,054 has been released to date. Staff anticipates that an additional $450,000 may be required to provide such services, as needed, for the extended term. The Trustees are requested to approve the extension of the subject contract through July 23, 2011 and to approve the additional funding requested.

Power Supply

SENY Plants

"At their meeting of December 19, 2006, the Trustees approved the award of a contract to **Day & Zimmermann NPS, Inc. ('D&Z NPS') (4600001730)** for a term of up to four years and funding in the amount of $9 million, to provide for general maintenance support services at the Charles Poletti, 500 MW and Richard M. Flynn Power Plants. (The Small Clean Power Plants were subsequently included via change order to the contract.) Services generally consist of providing skilled craft labor to supplement and assist the Authority's plant employees during periods of routine maintenance, scheduled outages, emergency shutdown or technical inspections, as directed by Authority management at these facilities. The following categories of work are included: general plant maintenance, plant modifications and corrections and retrofit work. An additional $1 million was subsequently authorized in accordance with the Authority's EAPs. The current 'Target Value' is $10 million, of which $8,275,648 has been released to date. The 500 MW and Poletti plants have been using the subject contract more than originally anticipated and funding has been expended at an accelerated rate. The 500 MW plant had a forced outage in the second quarter of 2008, requiring additional manpower and overtime during the extended outage. In addition, D&Z NPS has proven to be the low-cost provider for manufacture and installation of permanent work platforms at the 500 MW plant. The Poletti plant has also increased its use of this contract by subcontracting for the services of four full-time equivalent employees, due to the attrition of permanent Authority staff. Such additional service requirements are expected to be used until the Poletti plant closes (currently projected for the first quarter of 2010). Based on the foregoing, staff has concluded that re-bidding these services would not be feasible. Therefore, it is anticipated that an additional $3 million will be required for the duration of the originally approved term (through December 31, 2010). It should be noted that the D&Z NPS rates for workers' compensation, liability insurance percentages and overhead and fee percentages will remain firm for the duration of the contract; the only increases will be in the actual craft labor rates as determined by increases in the New York State Prevailing Wage Rates and applicable collective bargaining agreements. The Trustees are requested to approve the additional funding requested, increasing the compensation ceiling to $13 million.

FISCAL INFORMATION

"Funds required to support contract services for various Business Units/Departments and Facilities have been included in the 2009 Approved O&M Budget. Funds for subsequent years, where applicable, will be included in the budget submittals for those years. Payment will be made from the Operating Fund.

"Funds required to support contract services for capital projects have been included as part of the approved capital expenditures for those projects and will be disbursed from the Capital Fund in accordance with the project's Capital Expenditure Authorization Request. Payment for the contracts in support of Energy Services Programs will be made from the Energy Conservation Effectuation and Construction Fund. All costs, including Authority overheads and the cost of advancing funds, will be recovered by the Authority consistent with other Energy Services and Technology Programs.

RECOMMENDATION

"The Vice President – Project Management, the Vice President – Engineering, the Vice President – Project Development and Management, the Vice President – Environment, Health and Safety, the Vice President – Business Development and Asset Management, the Vice President – Power Resource Planning and Acquisition, the Vice President – Procurement, the Chief Information Officer, the Chief Technology Development Officer, the Director – Corporate Support Services, the Director – Engineering and Design, the Regional Manager – Northern New York, the Regional Manager – Western New York, the Regional Manager – Central New York, the Regional Manager – Southeastern New York, the General Manager – Transmission Maintenance, the Facilities Materials Superintendent and the Director – Fleet Operations recommend that the Trustees approve the award of multiyear procurement contracts to the companies listed in Exhibit '2h-A,' and the extension and/or additional funding of the procurement contracts listed in Exhibit '2h-B,' for the purposes and in the amounts discussed within the item and/or listed in the respective Exhibits.

"The Chief Operating Officer, the Executive Vice President and General Counsel, the Executive Vice President and Chief Financial Officer, the Executive Vice President and Chief Engineer – Power Supply, the Senior Vice President – Enterprise Shared Services, the Senior Vice President – Energy Services and Technology, the Senior Vice President – Energy Resource Management, the Senior Vice President – Transmission and I concur in the recommendation."

The following resolution, as submitted by the President and Chief Executive Officer, was unanimously adopted.

> **RESOLVED, That pursuant to the Guidelines for Procurement Contracts adopted by the Authority, the award and funding of the multiyear procurement services contracts set forth in Exhibit "2h-A," attached hereto, are hereby approved for the period of time indicated, in the amounts and for the purposes listed therein, as recommended in the foregoing report of the President and Chief Executive Officer; and be it further**
>
> **RESOLVED, That pursuant to the Guidelines for Procurement Contracts adopted by the Authority, the contracts listed in Exhibit "2h-B," attached hereto, are hereby approved and extended for the period of time indicated, in the amounts and for the purposes listed therein, as recommended in the foregoing report of the President and Chief Executive Officer; and be it further**
>
> **RESOLVED, That the Chairman, the Vice Chairman, the President and Chief Executive Officer, the Chief Operating Officer and all other officers of the Authority are, and each of them hereby is, authorized on behalf of the Authority to do any and all things, take any and all actions and execute and deliver any and all agreements, certificates and other documents to effectuate the foregoing resolution, subject to the approval of the form thereof by the Executive Vice President and General Counsel.**

Procurement (Services) Contracts – Awards
(For Description of Contracts See "Discussion")

EXHIBIT "A"
June 30, 2009

Plant Site	Company Contract #	Start of Contract	Description of Contract	Closing Date	Award Basis[1] Contract Type[2]	Compensation Limit	Amount Expended To Date	Authorized Expenditures For Life Of Contract
ENERGY MARKETING & BUS DEV - ES&T - R&TD	**Q09-4510; 2 awards:** **1. AWS TRUEWIND, LLC** Albany, NY **2. OPTIMAL ENERGY INC.** Bristol, VT (PO#s TBA)	07/01/09	Provide for consulting services in connection with the Authority's energy efficiency and renewable energy program initiatives	06/30/12	B/P	*Note: represents total for up to 3-year term		**$1,000,000***
ENERGY MARKETING & BUS DEV - ES&T - Eng & Design	**Q09-4534; 2 awards:** **1. BOHLER ENGINEERING, P.C.** Lindenhurst, NY **2. SCHUYLER ENGINEERING, P.C.** Ronkonkoma, NY (PO #s TBA)	07/01/09	Provide for document preparation and filing services to obtain required NYCDOB approvals for the Authority's energy efficiency projects, as well as expediting and consulting services, as needed	06/30/14	B/P	*Note: represents total for up to 5-year term **All costs will be recovered by the Authority.**		**$100,000***
ENERGY MARKETING & BUS DEV - ES&T - Energy Services	**MILLENNIUM MAINTENANCE & ELECTRICAL CONTRACTORS, INC.** Brooklyn, NY (Q09-4476; PO# TBA)	07/01/09	Provide for installation services for sample / prototype lighting fixtures for energy conservation projects	06/30/11	B/C	*Note: represents total for up to 2-year term **All costs will be recovered by the Authority.**		**$500,000***
ENTERPRISE SHARED SERVICES - Corp Supp Serv	**INTEGRATED SYSTEMS AND POWER, INC.** New York, NY (Q09-4478 PO# TBA)	07/01/09	Provide for maintenance and repair of the fire alarm system in the Rappleyea Building and garage	06/30/14	B/S	*Note: represents total for up to 5-year term		**$150,000***
ENTERPRISE SHARED SERVICES - Corp Supp Serv	**THE TRANE COMPANY** (Div. of American Standard) Long Island City, NY (Q09-4548; PO# TBA)	07/01/09	Provide for preventive maintenance and repair services for chillers at the Rappleyea Building	06/30/14	S/S	*Note: represents total for up to 5-year term		**$95,000***

1 Award Basis: B= Competitive Bid; S= Sole Source; C= Competitive Search
2 Contract Type: P= Personal Service; S= (Non-Personal) Service; C= Construction; E= Equipment; N= Non-Procurement

Procurement (Services) Contracts – Awards
(For Description of Contracts See "Discussion")

EXHIBIT "A"
June 30, 2009

Plant Site	Company Contract #	Start of Contract	Description of Contract	Closing Date	Award Basis[1] Contract Type[2]	Compensation Limit	Amount Expended To Date	Authorized Expenditures For Life Of Contract
ENTERPRISE SHARED SERVICES - IT	**VENTYX ENERGY, LLC** Atlanta, GA (Q09-4482; PO# TBA)	06/15/09 (Letter of Intent)	Provide for Integrated Resource Plan and Generation Dispatch Modeling Forecast System Software Solution	06/30/14	B/S	*Note: represents total for up to 5-year term		**$1,900,000***
POWER SUPPLY-POL, 500 MW, SCPPs	**BANCKER CONSTRUCTION CORP.** Islandia, NY (P09-99476; PO# TBA)	07/01/09	Provide for excavating services at various SENY plant sites	06/30/12	B/S	*Note: represents total for up to 3-year term		**$750,000***
POWER SUPPLY-POL, 500 MW, SCPPs, FLYNN	**MERIT CONSTRUCTORS INC.** Brooklyn, NY (P09-99479; PO# TBA)	07/01/09	Provide for maintenance and repair services for fencing at SENY plant sites	06/30/12	B/S	*Note: represents total for up to 3-year term		**$175,000***
POWER SUPPLY-STL	**PROFESSIONAL HEALTH SERVICES, INC.** Havertown, PA (RFQ S0901 / 6000100036; PO# TBA)	09/01/09	Provide for annual physical examinations and respirator clearance and fit tests for employees at STL	08/31/12	B/P	*Note: represents total for up to 3-year term		**$130,800***
POWER SUPPLY-Bus Dev & Asset Mgmt	**SOFTWARE SENSE ENTERPRISES, INC.** Saratoga Springs, NY (PO# TBA)	07/01/09	Provide for continuation of maintenance, consulting/programming services, as needed, to support proprietary software for safety & clearance system	06/30/14	S/P	*Note: represents total for up to 5-year term		**$275,000***

1 Award Basis: B= Competitive Bid; S= Sole Source; C= Competitive Search
2 Contract Type: P= Personal Service; S= (Non-Personal) Service; C= Construction; E= Equipment; N= Non-Procurement

Procurement (Services) Contracts – Awards
(For Description of Contracts See "Discussion")

EXHIBIT "A"
June 30, 2009

Plant Site	Company Contract #	Start of Contract	Description of Contract	Closing Date	Award Basis[1] Contract Type[2]	Compensation Limit	Amount Expended To Date	Authorized Expenditures For Life Of Contract
POWER SUPPLY-EH&S & SENY PLANTS	**TECHNOSCOUTS, INC.** Monroe Township, NJ (Q09-4530; PO# TBA)	**0**7/01/09	Provide for consulting services for implementation of air program requirements re emissions sources at Authority's SENY plants	06/30/12	B/P	*Note: represents total for up to 3-year term		**$1,000,000***
POWER SUPPLY-TRANSMISSION	**UTILITY POLE TECHNOLOGIES, INC.** Willow Grove, PA (Q09-4516; PO# TBA)	07/01/09	Provide for T/L wood pole inspection and treatment services	06/30/11	B/S	*Note: represents total for up to 2-year term		**$670,967***
POWER SUPPLY-EH&S	Q09-4507; 5 awards: **1. GRAY & PAPE, INC.** Providence, RI **2. HARTGEN ARCHEOLOGICAL ASSOC., INC.** Rensselaer, NY **3. LANDMARK ARCHEOLOGY, INC.** Altamont, NY **4. TRC ENVIRONMENTAL CORP.** Ellicott City, MD and Ellsworth, ME **5. VHB ENGINEERING, SURVEYING AND LANDSCAPE ARCHITECTURE, P.C.** (affiliated with Vanasse Hangen Brustlin, Inc.) Hauppauge, NY (PO #s TBA)	07/01/09 (on or about)	Provide for cultural resource consulting services to conduct surveys and evaluations related to the investigation and management of cultural and historic resources at various Authority or third-party facilities, per all applicable federal, state and/or local requirements	06/30/14	B/P	*Note: represents total for up to 5-year term		**$625,000***

1 Award Basis: B= Competitive Bid; S= Sole Source; C= Competitive Search
2 Contract Type: P= Personal Service; S= (Non-Personal) Service; C= Construction; E= Equipment; N= Non-Procurement

Procurement (Services) Contracts – Awards
(For Description of Contracts See "Discussion")

EXHIBIT "A"
June 30, 2009

Plant Site	Company Contract #	Start of Contract	Description of Contract	Closing Date	Award Basis[1] Contract Type[2]	Compensation Limit	Amount Expended To Date	Authorized Expenditures For Life Of Contract
POWER SUPPLY-EH&S	Q09-4523; 4 awards: **1. B&N&K RESTORATION CO., INC.** Clifton, NJ **2. JBH ENVIRONMENTAL, INC.** Garden City Park, NY **3. OP-TECH ENVIRONMENTAL SERVICES, INC.** East Syracuse, NY **4. WRS ENVIRONMENTAL SERVICES, INC.** Yaphank, NY (PO#s TBA)	07/01/09 (on or about)	Provide for planned and emergency response asbestos abatement services	06/30/14	B/S	*Note: represents aggregate total for up to 5-year term		**$1,000,000***
POWER SUPPLY-EH&S	Q09-4519; 5 awards: **1. ENVIRONMENTAL PRODUCTS & SERVICES OF VERMONT** Syracuse, NY **2. MILLER ENVIRONMENTAL GROUP** Calverton, NY **3. NATIONAL VACUUM CORP.** Niagara Falls, NY **4. OP-TECH ENVIRONMENTAL SERVICES** East Syracuse, NY **5. WRS ENVIRONMENTAL SERVICES, INC.** Yaphank, NY (PO#s TBA)	07/01/09 (on or about)	Provide for emergency oil spill response, clean-up and disposal services for the Authority's electric generating stations, sub-stations, transmission facilities, and support and maintenance facilities	06/30/14	B/S	*Note: represents aggregate total for up to 5-year term		**$3,750,000***

1 Award Basis: B= Competitive Bid; S= Sole Source; C= Competitive Search
2 Contract Type: P= Personal Service; S= (Non-Personal) Service; C= Construction; E= Equipment; N= Non-Procurement

Procurement (Services) Contracts – Awards
(For Description of Contracts See "Discussion")

EXHIBIT "A"
June 30, 2009

Plant Site	Company Contract #	Start of Contract	Description of Contract	Closing Date	Award Basis[1] Contract Type[2]	Compensation Limit	Amount Expended To Date	Authorized Expenditures For Life Of Contract
POWER SUPPLY-PROJECT MGMT and EH&S	Q09-4484; 3 awards: **1. ROTATOR STAFFING SERVICES, INC.** East Brunswick, NJ **2. L.J. GONZER ASSOC.** Cranford, NJ **3. EQUA-TECH SERVICES, LLC** Riverhead, NY (PO#s TBA)	07/01/09	Provide for services of temporary engineering personnel	06/30/14	B/S	*Note: represents aggregate total for up to 5-year term		**$11,000,000***
DISPOSAL-RELATED AWARDS:								
ENTERPRISE SHARED SERVICES - Fleet Operations	**C09-032009; 2 awards:** **1. AUCTIONS INTERNATIONAL, INC.** Buffalo, NY **2. J.J. KANE AUCTIONEERS** Delran, NJ (PO#s TBA)	07/01/09	Provide for auction services for surplus Authority vehicles and equipment	06/30/12	B/S	*Note: these are expected to be "no cost" income-generating contracts for a 3-year term		**$0***

1 Award Basis: B= Competitive Bid; S= Sole Source; C= Competitive Search
2 Contract Type: P= Personal Service; S= (Non-Personal) Service; C= Construction; E= Equipment; N= Non-Procurement

Procurement (Services) Contracts – Extensions
(For Description of Contracts See "Discussion")

EXHIBIT "B"
June 30, 2009

Plant Site/ Bus. Unit	Company Contract #	Start of Contract	Description of Contract	Closing Date	Award Basis[1] Contract Type[2]	Compensation Limit	Amount Expended To Date	Authorized Expenditures For Life Of Contract
Contracts in support of Headquarters Business Units and the Facilities:								
ENTERPRISE SHARED SERVICES - IT	**PERFICIENT INC.** Pittsburgh, PA 4600001671	07/24/06	Provide for consulting services to support the Energy Trading Portal software application (TIBCO)	07/23/11	B/P	$800,000 ["Target Value"] ***Note**: includes originally approved amount of $800,000 **+ CURRENT INCREASE OF $450,000**	$788,054 ["Released Amt"]	**$1,250,000***
POWER SUPPLY - POL, 500 MW, FLYNN, SCPPs	**DAY & ZIMMERMANN NPS, INC.** Lancaster, PA 4600001730	01/01/07	Provide for general maintenance services for POL, 500 MW and Flynn plants	12/31/10	B/S	$10,000,000 ["Target Value"] ***Note**: includes originally approved amount of $9 million + an additional $1million in accordance with the EAPs **+ CURRENT INCREASE OF $3 million**	$8,275,648 ["Released Amt"]	**$13,000,000***

1 Award Basis: B= Competitive Bid; S= Sole Source; C= Competitive Search
2 Contract Type: P= Personal Service; S= (Non-Personal) Service, C= Construction; E= Equipment; N= Non-Procurement

i. Procurement (Services) Contracts – Energy Services Implementation Contractor Awards

The President and Chief Executive Officer submitted the following report:

SUMMARY

"At their meeting of May 20, 2008, the Trustees approved funding in the amount of $750 million to finance energy efficiency and clean energy technology projects for the Authority's Governmental Customers Energy Services Program ('GCESP'). This was in addition to $780 million previously approved for this program. Subsequent to the Trustees' authorization of the additional funding, the City of New York ('City') significantly increased its participation in the GCESP to help meet Mayor Bloomberg's plaNYC goals of reducing greenhouse gas emissions by 30% by 2030. It is anticipated that the City will release $60 million a year in energy efficiency/clean energy technology project monies over the next five years.

"In order for the Authority to respond to the City's and other Governmental Customer requests for energy efficiency/clean energy technology work in a timely fashion, the Trustees are requested to approve contracts with the firms of Wendel Energy Services, PB Americas, Applied Energy Management, RCM Technologies and The Fulcrum Group for an initial amount of $300 million in aggregate for implementation contractor services in connection with the GCESP in Southeastern New York. These funds will be taken from program funds previously approved by the Trustees, so no additional funding is requested at this time. The terms for these contracts will be up to five years.

"As provided by the Long-Term Agreements concerning the supply of electricity ('LTAs') with the Authority's Governmental Customers, these funds, along with the cost of advancing these funds, will be recovered from the customers participating in the GCESP.

BACKGROUND

"Section 2879 of the Public Authorities Law and the Authority's Guidelines for Procurement Contracts require the Trustees' approval for procurement contracts involving services to be rendered for a period in excess of one year.

"In accordance with the Authority's Expenditure Authorization Procedures, the award of non-personal services or equipment contracts in excess of $3 million, as well as personal services contracts in excess of $1 million if low bidder, or $500,000 if sole source or non-low bidder, requires the Trustees' approval.

"The Authority's mission is to provide clean, economical and reliable energy consistent with its commitment to safety, while promoting energy efficiency and innovation for the benefit of its customers and all New Yorkers. In that regard, since the late 1980s, the Authority has offered energy efficiency programs Statewide. These programs have been very successful and, to date, the Authority has achieved nearly $115 million in customer savings. Of these savings, more than $77 million is attributable to the Authority's downstate Governmental Customers.

"In January 2009, Governor David Paterson announced plans to reduce overall electricity usage and greenhouse gas emissions in New York State. Due to the anticipated growth in demand due in large part to the energy plans set forth by Governor Paterson (45% X 2015) and Mayor Bloomberg (PlaNYC 2030), the Authority is expanding its energy services program to help the State and the City achieve the aggressive goals outlined in their plans.

DISCUSSION

Contractor Selection

"Since the early 1990s, the Authority has offered 'in-house' energy services for its downstate Governmental Customers. The Authority's energy services projects provide a turnkey approach to identifying, procuring and implementing energy-savings technologies and clean energy initiatives. On these projects, the Authority not only serves as the general contractor but also provides its own staff to perform all engineering and construction management required to implement the project. Due to the expansion of the GCESP, the Authority will need to augment its capabilities by using outside firms (Implementation Contractors, or 'ICs').

"If the Authority uses an IC, the Authority serves as the general contractor for the GCESP. The services provided by the ICs complement the Authority's staff resources in implementing the GCESP. The scope of work consists of the following:

- On-site screenings of participants' facilities to determine likely candidates for significant energy and operational cost savings realized by installing energy efficiency measures.
- On-site surveys, energy audits and technical feasibility studies to identify potential applications for energy efficiency measures approved for the GCESP.
- Detailed engineering studies and analyses of specific energy efficiency measures or systems.
- Design of proposed systems and/or measures.
- Preparation of project proposal documents and solicitation of competitive bids.
- Construction management and oversight of proposed system and/or measure installation and project closeout (including waste management).

"In addition, the IC, under Authority staff supervision, is required to work directly with the customer/participant from facility audit to final acceptance of the equipment installed. The IC, which competitively bids procurement of materials and installation of the recommended energy efficiency/clean energy measures, is required to guarantee the quality of all work.

"On April 20, 2009, the Authority advertised a Request for Proposals ('RFP') in the New York State *Contract Reporter* soliciting firms interested in providing IC services for the GCESP. As a result of that advertisement and invitations to bid, 45 firms downloaded the RFP from the Authority's website. Twenty firms attended the mandatory bidders' conference held on May 1, 2009 to explain the proposed scope of work and provide an opportunity for potential bidders to ask questions and seek clarification.

"On May 26, 2009, 10 firms submitted bids for the program. The bids were evaluated based on a number of technical criteria and cost by a team of staff members. These criteria included the firm's and its personnel's relevant technical experience in conducting audits and preparing energy analysis reports, including ASHRAE Level II Audits; fee percentages; general knowledge of lighting and comprehensive energy efficiency projects; office location; quality of materials used; contractor list; safety and OSHA procedures and manuals and hazardous waste and recycling program and procedures. As a result, staff recommends awarding contracts to the following firms, which offered the best services at the lowest cost: Wendel Energy Services, PB Americas, Applied Energy Management, RCM Technologies and The Fulcrum Group. The contracts would cover a five-year period starting on July 1, 2009 and ending on June 30, 2014.

Wendel Energy Services ('Wendel')

"Headquartered in Amherst, New York, Wendel, the lowest-priced qualified bidder, is a turnkey energy services company that has been working as an IC for the Authority's Statewide Energy Services Program, specializing in development, design and construction implementation at various governmental facilities throughout New York State. As a result, Wendel understands the Authority's specific requirements as they relate to detailed designs, cost estimates, competitive bid preparations, procuring equipment and waste disposal.

PB Americas ('PB')

"Headquartered in New York City, PB is a full-service company that provides turnkey energy conservation services including development, design, construction and implementation of lighting and comprehensive energy efficiency projects. PB has extensive knowledge about working in the public sector and has conducted energy services projects for many governmental agencies and institutions, including SENY projects implemented under Authority contracts.

Applied Energy Management ('AEM')

"Headquartered in Lee, Massachusetts, AEM specializes in development, design and construction management of lighting systems, including energy conservation analysis. AEM has extensive experience working in the public sector and has conducted energy services projects for many governmental agencies and institutions, including SENY projects implemented under Authority contracts.

RCM Technologies ('RCM')

"RCM has provided professional engineering services to commercial and government clients for decades. With offices in New York City, RCM capitalizes on its diverse engineering and technology platform to offer clients fully integrated and coordinated design, construction management and consulting services for HVAC, electrical and plumbing systems, with strengths in utility coordination.

The Fulcrum Group ('Fulcrum')

"Fulcrum, which has an office in New York City, has performed commissioning services and energy management for customers throughout New York State. Fulcrum has experience serving hospitals, universities and school systems. Fulcrum, which has strengths in detailed audits and developing feasibility studies, has conducted energy services projects for many governmental agencies and institutions, including SENY projects implemented under Authority contracts.

FISCAL INFORMATION

"No additional funding is requested to implement the Authority's service offering under the GCESP. The existing funding will be provided from the proceeds of the Authority's Commercial Paper Notes and/or the Operating Fund. In addition, projects may be funded, in part, with monies from the Petroleum Overcharge Restitution ('POCR') fund. All Authority costs, including Authority overheads and the costs of advancing funds, but excluding any grant of POCR funds, will be recovered consistent with other Energy Services and Technology Programs.

RECOMMENDATION

"The Senior Vice President – Energy Services and Technology and the Vice President – Project Development and Management recommend that $300 million of the previously approved funding for the Governmental Customer Energy Services Program be allocated and that procurement services contracts for

Implementation Contractor services be awarded to Wendel Energy Services, PB Americas, Applied Energy Management, RCM Technologies and The Fulcrum Group.

"The Chief Operating Officer, the Executive Vice President and General Counsel, the Executive Vice President and Chief Financial Officer, the Senior Vice President – Marketing and Economic Development, the Senior Vice President – Enterprise Shared Services, the Vice President – Procurement and I concur in the recommendation."

The following resolution, as submitted by the President and Chief Executive Officer, was unanimously adopted.

RESOLVED, That the Trustees authorize the President and Chief Executive Officer, the Chief Operating Officer, the Senior Vice President – Energy Services and Technology or such officer designated by the President and Chief Executive Officer to execute agreements and other documents between the Authority and Wendel Energy Services ("Wendel"), PB Americas ("PB"), Applied Energy Management ("AEM"), RCM Technologies ("RCM") and The Fulcrum Group ("Fulcrum"), such agreements having terms and conditions approved by the executing officer, subject to the approval of the form thereof by the Executive Vice President and General Counsel, to facilitate the development of the Governmental Customers Energy Services Program ("GCESP"); and be it further

RESOLVED, That in accordance with the Guidelines for Procurement Contracts adopted by the Authority and the Authority's Expenditure Authorization Procedures, $300 million be allocated from previously approved funding for contracts with Wendel, PB, AEM, RCM and Fulcrum in the amounts and for the purposes listed below:

Commercial Paper Program/ Operating Fund/POCR	Ceiling	Termination Date
Wendel, PB, AEM, RCM and Fulcrum	$300 million (aggregate)*	06/30/2014

AND BE IT FURTHER RESOLVED, That the Authority's Commercial Paper Notes, Series 1, Series 2 and Series 3, and Operating Fund monies may be used to finance GCESP costs; and be it further

RESOLVED, That the Senior Vice President – Energy Services and Technology is authorized to determine which projects in the GCESP will be deemed to be energy services projects within the meaning of Section (7) of Part P of Chapter 84 of the Laws of 2002 (the "Section (7) POCR Legislation") to be funded in part with Petroleum Overcharge Restitution ("POCR") Funds allocated pursuant to the Section (7) POCR Legislation; and be it further

RESOLVED, That POCR funds allocated to the Authority by the Section (7) POCR Legislation may be used to the extent authorized by such legislation, in such amounts as may be deemed necessary or desirable by the Senior Vice President – Energy Services and Technology to finance projects within the GCESP; and be it further

* A total of $300 million will be allocated to Wendel, PB, AEM, RCM and Fulcrum. The allocation will be determined as GCESP project work is assigned. The initial award will be $20 million to each contractor.

RESOLVED, That the Chairman, the Vice Chairman, the President and Chief Executive Officer, the Chief Operating Officer and all other officers of the Authority are, and each of them hereby is, authorized on behalf of the Authority to do any and all things and take any and all actions and execute and deliver any and all certificates, agreements and other documents to effectuate the foregoing resolution, subject to the approval of the form thereof by the Executive Vice President and General Counsel.

j. Procurement (Services) Contracts – Energy Services – Program Management and Implementation Services for Small Facilities

The President and Chief Executive Officer submitted the following report:

SUMMARY

"The Trustees are requested to approve the award of contracts to the firms of Wendel Energy ('Wendel'), SourceOne and PRES Energy in the amount of up to $50 million in aggregate for implementing contractor services in connection with the small facility market in the Governmental Customers Energy Services Program ('GCESP') and Statewide Energy Services Program ('Statewide ESP') throughout the five regions of New York State – Western, Central, North Country, Capital District and Southeastern. The terms for these contracts would be up to five years. Funds will be taken from program funds previously approved by the Trustees, so no additional funding is requested at this time. All costs will be recovered from program participants.

BACKGROUND

"Section 2879 of the Public Authorities Law and the Authority's Guidelines for Procurement Contracts require the Trustees' approval for procurement contracts involving services to be rendered for a period in excess of one year.

"In accordance with the Authority's Expenditure Authorization Procedures, the award of non-personal services or equipment contracts in excess of $3 million, as well as personal services contracts in excess of $1 million if low bidder, or $500,000 if sole source or non-low bidder, requires the Trustees' approval.

"The Authority's mission is to provide clean, economical and reliable energy consistent with its commitment to safety, while promoting energy efficiency and innovation for the benefit of its customers and all New Yorkers. In that regard, since the late 1980s, the Authority has provided energy services programs throughout New York State ('State'). These programs have been very successful and, to date, the Authority has achieved nearly $114 million in annual customer savings.

"In January 2009, Governor Paterson announced plans to reduce overall electricity usage and greenhouse gas emissions in the State. Due to anticipated growth in connection with the energy plans set forth by Governor Paterson (45% X 2015) and New York City ('City') Mayor Bloomberg (plaNYC 2030), the Authority is implementing an expanded energy efficiency program to help the State and the City achieve the aggressive goals outlined in these plans.

"Due to the continuing expansion of GCESP and Statewide ESP to address the small facility market, the Authority will need to further augment its capabilities with additional outside firms (Implementation Contractors, or 'ICs'). This allows the Authority to expand its capabilities without increasing its number of full-time staff. Authority staff has developed a streamlined design and implementation process to serve these customers Statewide. To better serve the small facilities customers (annual electric usage under 500 kW), the design and implementation procedures have been tailored to suit their specific needs.

DISCUSSION

"Since the initial expansion of the Authority's Energy Services Program last year, and with the unfavorable economic forecast for the State and the City, the Authority's customers, public facilities and governmental stakeholders are again turning to the Authority to increase their participation in the Authority's energy efficiency programs in an effort to reduce costs. In order to meet the requests of Authority customers, it is necessary to award contracts to the three listed firms to meet the needs of the facilities with less-than-average electricity and fuel usage.

"The smaller facilities, because of either their lower rates or hours of operation, typically see longer paybacks for energy efficiency upgrades. The ICs that will work in this market will use a tailored design and implementation process to increase the economic benefit of the ESP to these customers. This will be done by segmenting the small facility market into five regions Statewide and will allow the ICs to address multiple facilities within their designated region and reduce travel and additional overhead expense.

Contractor Selection

"The services provided by the ICs complement the Authority's staff resources in implementing the GCESP and Statewide ESP. The scope of work required of the ICs generally consists of the following:

- On-site screenings of participants' facilities to determine likely candidates for significant energy and operational cost savings realized by installing energy efficiency measures.
- On-site surveys, energy audits and technical feasibility studies to identify potential applications for energy efficiency measures approved for the GCESP and Statewide ESP.
- Detailed engineering studies and analyses of specific energy efficiency measures or systems.
- Design of proposed systems and/or measures.
- Preparation of project proposal documents and solicitation of competitive bids.
- Construction management and oversight of proposed system and/or measure installation and project closeout (including waste management).

"In addition, the IC, under Authority staff supervision, is required to work directly with the participant from facility audit to final acceptance of the equipment installed. The IC, which competitively bids procurement of materials and installation of the recommended energy efficiency measures, is required to warrant the quality of all work.

"On March 30, 2009, the Authority advertised a Request for Proposals ('RFP') in the New York State *Contract Reporter* soliciting firms interested in providing IC services for the Statewide ESP and GCESP. As a result of that advertisement and invitations to bid, 49 firms downloaded the RFP from the Authority's website. Eleven firms attended the mandatory bidders' conference held on April 9, 2009 to explain the proposed scope of work and provide an opportunity for potential bidders to ask questions and seek clarification.

"On April 21, 2009, five firms submitted bids for the program. The bids were evaluated based on a number of technical criteria and cost by a team of four staff members. These criteria included the firm's relevant technical experience in conducting audits and preparing energy analysis reports; fee percentages; general knowledge of energy efficiency measures; office location; quality of the materials used; contractor list; safety and OSHA procedures and manuals and hazardous waste and recycling program and procedures. As a result, staff recommends awarding contracts to the following three firms due to their location in the State and their ability to perform work in a cost-effective manner in each region. The recommendation is based on the firm's ability to offer the best services at the lowest cost. The contracts would cover a five-year period, starting in June 2009 and ending in May 2014. The firms are Source One, PRES Energy and Wendel. These contractors were the lowest three bidders.

SourceOne

"Headquartered in New York City and Boston, SourceOne, the best evaluated bidder, is a full-service company that provides turnkey energy conservation services including development, design, construction and implementation of lighting and comprehensive energy efficiency projects. SourceOne has extensive experience working in the public sector and has conducted energy services projects for many governmental agencies and institutions, including several relevant projects in the City.

PRES Energy

"PRES Energy is a New York-based firm with offices in Getzville (a suburb of Buffalo), Rochester and Syracuse. PRES Energy is a new contractor to the Authority's ESP programs. The proposal submitted by PRES Energy demonstrated relevant experience in design and construction management of energy measures as described in the Engineering, Design and Implementation Services description with strengths in complex design-build implementation systems; the ability to identify/evaluate potential energy efficiency projects during the initial 'discovery' phase of a project and committed presence with respect to geographically challenging assignments. PRES Energy has diverse experience in all facility types (schools, municipal water treatment, courthouses, hospitals, universities, government buildings, etc.). PRES Energy clearly and successfully demonstrated the expertise necessary to satisfy the requirements of Statewide ESP.

Wendel

"Wendel is an architectural and engineering/design build firm with offices in Buffalo, Albany and Long Island. Wendel has provided design-build services for the Authority in the past on various programs. Wendel understands the Authority's processes and has proven experience under the Clean Air for Schools Program ('CASP') and Statewide ESP.

FISCAL INFORMATION

"No additional funding is requested to implement the Authority's Small Facilities energy services offerings under the GCESP and Statewide ESP. The existing funding will be provided from the proceeds of the Authority's Commercial Paper Notes and/or the Operating Fund. In addition, projects may be funded, in part, with monies from the Petroleum Overcharge Restitution ('POCR') fund. An initial allocation of $10 million will be made to each of the three firms being recommended. All Authority costs, including Authority overheads and the costs of advancing funds, but excluding any grant of POCR funds, will be recovered consistent with other Energy Services and Technology Programs.

RECOMMENDATION

"The Senior Vice President – Energy Services and Technology and the Vice President – Project Development and Management recommend that implementation services contracts for the following regions be awarded as follows:

Western New York – Wendel and PRES Energy

Central New York – PRES Energy

North Country – PRES Energy

Capital District – PRES Energy

Southeastern New York – Wendel and SourceOne

"The Chief Operating Officer, the Executive Vice President and General Counsel, the Executive Vice President and Chief Financial Officer, the Senior Vice President – Marketing and Economic Development, the Senior Vice President – Enterprise Shared Services, the Vice President – Procurement and I concur in the recommendation."

The following resolution, as submitted by the President and Chief Executive Officer, was unanimously adopted.

RESOLVED, That the Trustees authorize the President and Chief Executive Officer, the Chief Operating Officer, the Senior Vice President – Energy Services and Technology or such officer designated by the President and Chief Executive Officer to execute agreements and other documents

between the Authority and Wendel, SourceOne and PRES Energy, such agreements having terms and conditions approved by the executing officer, subject to the approval of the form thereof by the Executive Vice President and General Counsel, to facilitate the development of the Governmental Customers Energy Services Program ("GCESP") and the Statewide Energy Services Program ("Statewide ESP"); and be it further

RESOLVED, That in accordance with the Guidelines for Procurement Contracts adopted by the Authority and the Authority's Expenditure Authorization Procedures, $50 million be allocated from previously approved funding for contracts with Wendel, Source One and PRES Energy in the amounts and for the purposes listed below:

Commercial Paper Program/ Operating Fund/POCR	Ceiling	Termination Date
Wendel, Source One and PRES Energy	$50 million (aggregate)*	06/30/2014

AND BE IT FURTHER RESOLVED, That the Authority's Commercial Paper Notes, Series 1, Series 2 and Series 3, and Operating Fund monies may be used to finance GCESP and Statewide ESP costs; and be it further

RESOLVED, That the Senior Vice President – Energy Services and Technology is authorized to determine which projects in GCESP and Statewide ESP will be deemed to be energy services projects within the meaning of Section (7) of Part P of Chapter 84 of the Laws of 2002 (the 'Section (7) POCR Legislation') to be funded in part with Petroleum Overcharge Restitution ("POCR") Funds allocated pursuant to the Section (7) POCR Legislation; and be it further

RESOLVED, That POCR funds allocated to the Authority by the Section (7) POCR Legislation may be used to the extent authorized by such legislation, in such amounts as may be deemed necessary or desirable by the Senior Vice President – Energy Services and Technology to finance projects within GCESP and Statewide ESP; and be it further

RESOLVED, That the Chairman, the Vice Chairman, the President and Chief Executive Officer, the Chief Operating Officer and all other officers of the Authority are, and each of them hereby is, authorized on behalf of the Authority to do any and all things and take any and all actions and execute and deliver any and all certificates, agreements and other documents to effectuate the foregoing resolution, subject to the approval of the form thereof by the Executive Vice President and General Counsel.

* A total of $50 million will be allocated to Wendel, SourceOne and PRES Energy. The allocation will be determined as GCESP and Statewide ESP project work is assigned. The initial award will be $10 million to each contractor.

3. <u>Resolution – Horace Horton</u>

Mr. Edward Welz read a resolution thanking Mr. Horton for all of his years of service to the Authority. Trustee Elise Cusack said that Mr. Horton had been a great Regional Manager for Western New York and thanked him for his helpfulness. Trustee Eugene Nicandri said that he had been looking forward to the presentation that Mr. Horton had been scheduled to make at the November 2008 Trustees' Meeting, and was sorry that it had been pulled from the agenda.

WHEREAS, Horace R. Horton has brought a singular combination of intelligence, technical expertise and consummate professionalism to a succession of vital assignments during his distinguished 17-year career at the New York Power Authority; and

WHEREAS, that career, which began as a technical trainer at the Niagara Power Project, came full cycle in 2006 with Mr. Horton's return to Niagara as Regional Manager for Western New York; and

WHEREAS, Mr. Horton's unflappable manner, quiet confidence, firm integrity and unparalleled work ethic, all complemented by a wry sense of humor, have earned him widespread respect and affection as a leader, mentor and colleague; and

WHEREAS, following his initial stint at Niagara and service in several key positions at the Blenheim-Gilboa Pumped Storage Power Project, Mr. Horton vividly demonstrated his versatility and value when, in a span of just over a year, he was named General Manager of Transmission Maintenance at the Clark Energy Center, returned to Blenheim-Gilboa as Regional Manager for Central New York and then moved on to the Regional Manager's post at Niagara; and

WHEREAS, after having been engaged in preparing for a Life Extension and Modernization Program at Blenheim-Gilboa, he presided over the final phase of a multiyear upgrade at the Niagara Project's Robert Moses Niagara Power Plant and the start of a life extension program at the project's Lewiston Pump-Generating Plant; and

WHEREAS, Mr. Horton's productive three-year tenure at Niagara has also been marked by the receipt of a new 50-year federal license for the project, the implementation of

relicensing initiatives that have profoundly benefited nearby communities and his own service as Secretary of the Greater Niagara Manufacturers Association; and

WHEREAS, under Mr. Horton's leadership, the Niagara project in 2008 not only recorded its best year in meeting performance targets, but also ranked first among all NYPA projects and departments in that respect; and

WHEREAS, building on his experience as a technical instructor in the U. S. Navy, in which he served for 10 years; in the private sector and at NYPA, Mr. Horton has remained a superb teacher who has facilitated the professional growth of countless Authority engineers and managers; and

WHEREAS, Mr. Horton will soon retire from NYPA, leaving an enduring legacy of accomplishment, dedication and commitment to excellence;

NOW THEREFORE BE IT RESOLVED, That the Trustees of the Power Authority of the State of New York express their thanks and appreciation to Horace Horton for his exemplary service to the Authority and the people of this State and that they convey to him; his wife, Jayne and their family best wishes for a happy, healthy and rewarding future.

June 30, 2009

4. <u>Resolution – Joseph Carline</u>

Chief Operating Officer Gil Quiniones read a resolution commending Mr. Carline for his 35 years of service to the Authority. Trustee Cusack said that Mr. Carline had been one of the first Authority staff people that she came into contact with and that his institutional knowledge had been invaluable. Chairman Townsend echoed Trustee Cusack's sentiments, saying it was a comfort to know that the Authority had such excellent legal staff. Trustee Nicandri said that while he hadn't always been on the same side in negotiations with the Authority, Mr. Carline had always been very professional in those dealings.

WHEREAS, Joseph J. Carline stands among a select group of New York Power Authority attorneys who have played critical and indispensable roles in events and developments that have shaped the Authority's history; and

WHEREAS, Mr. Carline has dedicated his entire 35-year professional career to the Authority, with service of nearly 19 years as the Assistant General Counsel responsible for such vital areas as power contracts, rates, transmission and legislation affecting the Authority; and

WHEREAS, he represented the Authority with skill and distinction in a wide range of significant matters that included, among countless others, the forging of a global settlement with the State's municipal electric systems and rural cooperatives that has immensely benefited the systems and the Authority; the negotiation of new long-term power supply contracts with the Authority's Southeastern New York governmental customers and Alcoa and the enactment of landmark economic development legislation that has helped to create or protect hundreds of thousands of jobs for his fellow New Yorkers; and

WHEREAS, Mr. Carline's keen knowledge of the law, combined with his practical, common-sense approach, his constructive negotiating demeanor and his unique ability to chart a course to the resolution of seemingly intractable disputes, enabled him to consistently achieve the Authority's objectives while meeting legal and regulatory requirements and earning the abiding respect of his colleagues and adversaries; and

WHEREAS, as the holder of an undergraduate degree in engineering, Mr. Carline was at ease with the technology and terminology of the power industry and frequently provided valued tutorials to other attorneys and to his clients within the Authority; and

WHEREAS, he won the confidence and gratitude of those clients through his singular aptitude for distilling and explaining complex issues and his unfailing willingness to work with them to identify and address their priorities and concerns; and

WHEREAS, Mr. Carline's considerable professional prowess was complemented by his status as the Authority Law Department's resident expert on cameras, cars and computers; his own exceptional photographic skills and his distinguished service as a Board member of the Paramount Center for the Arts in Peekskill; and

WHEREAS, Mr. Carline has retired from the Authority staff after three-and-a-half highly productive decades in which his talents, his dedication and his personal attributes brought enduring benefits to the Authority and the people of New York State;

NOW THEREFORE BE IT RESOLVED, That the Trustees of the Power Authority of the State of New York convey their appreciation and admiration to Joe Carline for his extraordinary record of service and accomplishment and that they wish him; his wife, Maureen and their family a future of health, happiness and continued success.

June 30, 2009

5. a. Report of the President and Chief Executive Officer

President Kessel echoed the Trustees' comments about both Mr. Horton and Mr. Carline, saying that they each had been extraordinary employees and shining examples of the competence of all Authority employees.

President Kessel said that this was the second Trustees' Meeting that had been held in Western New York since he started at the Authority in October 2008, the first having been in Buffalo in November, and that he was sure the Trustees would be back here again soon. He said that in his 8-1/2 months at the Authority, he had made 14 visits to Western New York. President Kessel said that the Yahoo! project would not have happened without the support of the Trustees and Authority staff and that the Authority would continue to focus on economic development in Western and Northern New York.

President Kessel provided updates on the following:

Renewable Energy Projects

Great Lakes Off-Shore Wind: Staff met with environmental and public interest groups about the project on June 16th. A total of 16 responses were received to the Request for Expressions of Interest ("RFEI") and the Request for Proposals ("RFP") should be issued by the end of the year.

Solar 100 MW RFP: The RFEI responses are due the first week in July, the RFP will be issued in the fall and the contract award will be brought to the Trustees for their approval by the end of the year or in the first quarter of 2010.

University of Buffalo ("UB") Solar Project: This 1.1 MW installation will be the largest solar project on any college campus in New York State and one of the largest on any college campus nationwide. The bulk of the work will be done by Solar Liberty of Williamsville in Erie County. Approximately 5,000 solar panels will generate 1.3 million kilowatt-hours of energy annually, providing power for 735 student apartments housing nearly 2,000 undergraduate and graduate students. Ground will be broken this summer and the project could be operational by the spring of 2010. Solar Liberty's owner is a graduate of UB's law school and most of his employees went to UB. This project will result in Solar Liberty hiring 10-15 more technical workers and 5-10 administrative workers.

Legislation

The legislation extending the Power for Jobs and Energy Cost Savings Benefit programs through May 15, 2010 has been passed by the Assembly. If the Senate doesn't pass the legislation today, the programs will end at midnight tonight.

Community Outreach

Upstate:

- ***Press conference with Mayor of Solvay showcasing new hybrid bucket truck and green fleet of four hybrid vehicles.***
- ***Press conference with Niagara Falls Mayor Dyster kicking off partnership for energy efficiency upgrades to multiple municipal buildings, including Hyde Park Ice Complex.***
- ***Energy Conservation Seminars with municipal officials from Central New York.***
- ***New York Association of Public Power meeting and speaking engagement in Glens Falls.***
- ***Briefing on Great Lakes Off-Shore Wind Project at Niagara Power Vista for environmental groups and public officials.***

Downstate:

- ***Long Island Association Energy Committee and Hauppauge Industrial Association Trade Show.***
- ***Long Island Sustainability Conference.***
- ***Press conference with New York State Office of General Services, the New York State Energy Research and Development Authority, the Long Island Power Authority and State Senator John Flanagan announcing completion of major energy efficiency upgrades, including a fuel cell, at the Duryea State Office Building in Suffolk County.***
- ***Brookhaven Labs ribbon cutting.***
- ***Israeli Prime Minister of Energy meeting.***

b. Report of the Chief Operating Officer

Mr. Gil Quiniones presented the following report:

The Power Authority recorded a highly successful operating month in May, with no significant unplanned generation outages and no forced outages on the transmission lines.[1] The monthly targets for systemwide net generation and transmission reliability were exceeded.

The period since the last Trustees' meeting has also seen the start of construction on several major energy efficiency projects and continued progress on the Great Lakes and Long Island-New York City offshore wind projects and other renewable energy initiatives.

Key Activities of the Past Month

POWER SUPPLY

Plant Performance

Total net generation in May was 2,348,212 megawatt hours (MWh), compared with the projected 2,210,362 MWh.[2,3] This brought year-to-date net generation to 11,297,902 MWh, surpassing the target of 10,777,696 MWh.

The plants were available to produce electricity 93 percent of the time in May, boosting the year-to-date figure to 89.8 percent.

The unforced capacity rating for May was 98 percent, slightly below the target of 98.5 percent.[4] For the year, the rating is 97.2 percent, compared with the 98.5-percent target. Despite the plants' strong performance, the ratings have been below the target because the New York Independent System Operator (ISO) has called on some NYPA facilities to supply electricity less frequently than had been anticipated, reflecting the economic downturn and relatively mild weather. (The ratings are based on the plants' availability to provide energy when called into service by the ISO.)[5]

River flows at the Niagara Power Project were at the historical averages and slightly above normal compared with the long- and short-term forecasts. At the St. Lawrence-Franklin D. Roosevelt Power Project, flows were slightly above the historical averages and consistent with the forecasts.

Life Extension and Modernization Programs

The third of the four units that are being refurbished as part of the Life Extension and Modernization (LEM) program at the Blenheim-Gilboa Pumped Storage Power Project resumed operation on May 30, two weeks ahead of schedule and on time for the summer peak-demand season.[6] The unit had been out of service since Sept. 15, 2008.

The final unit will be removed from service this September, with the outage scheduled to continue until completion of the work, and the overall LEM project, in June 2010. A dewatering of the Blenheim-Gilboa project's upper reservoir at the start of this fall's outage will require the shutdown of the other three units for about seven weeks. The dewatering will permit the replacement of the spherical valve on the unit that will be refurbished.[7]

The LEM program at the St. Lawrence-FDR project moved ahead, with work on the 12th of the 16 units on schedule for completion in December. The overall program will continue through 2013.

Transmission Performance

Although no forced transmission outages occurred in May, there were eight scheduled outages for a total of 308 hours.

The transmission reliability rating for the month was 94.03 percent, exceeding the target of 92.56 percent. This brought the year-to-date rating to 98.07 percent, above the target of 97.70 percent.

Forced year-to-date transmission outages totaled 23 hours, less than 10 percent of the projection.

Siemens – PTI Study

A benefit analysis is being performed concerning a conceptual project identified in the study of transmission system improvements that NYPA and Siemens-PTI began last December. The study showed that from a system planning perspective, public policy objectives of increasing imports from Canada, promoting the development of renewable resources in Northern and Western New York and delivering the energy to Southeastern New York can be achieved.

In addition to conducting the benefit analysis, staff is meeting with other New York State transmission owners, private developers and Canadian energy producers to explore potential opportunities for collaboration. A steering committee of NYPA senior managers has been established to provide guidance to a task force of Authority staff members who will be working on this project.

National Hydropower Association Award

The Authority in May received an Outstanding Stewards of America's Waters Award from the National Hydropower Association (NHA) in recognition of its lake sturgeon spawning beds project on the St. Lawrence River.[8] NYPA was one of four winners of this year's awards, which, according to the NHA, recognized "exceptional programs and practices."

The winning initiative is among 10 Habitat Improvement Projects that NYPA will carry out as part of its relicensing commitments for the St. Lawrence-FDR project. Five of the projects are complete; three, intended to be completed in phases, are on schedule; and the other two are being designed.

The sturgeon project, completed in late 2007, entailed the installation of one spawning bed downstream and another upstream of the power project's Iroquois Dam.[9] The one-foot-thick beds, consisting of large gravel and each covering about 10,000 square feet, are intended to improve the population of lake sturgeon, listed as a threatened species in New York State. The project has been extremely successful in its first two years of operation, and four more beds are scheduled for installation in future years.

Organizational Review

The organizational review of the Power Supply Business Group was completed in May and Scott Madden, the consultant that conducted the study, presented its findings to the group's senior leaders. Actions are pending to implement most of the study's recommendations.

The review, which began in March, focused on processes, organizational structure and the synergies that resulted from combining the Power Generation, Transmission, and Project Development, Licensing and Compliance units in a single business group.

ENERGY SERVICES AND TECHNOLOGY

Energy Efficiency Investment

The Authority invested $8 million in energy efficiency projects during May, bringing the year-to-date total to $40.2 million. Overhead cost recovery was 79 percent for the month and stands at 78 percent for the year.

Clean-energy Benefits

NYPA provided 22,978 megawatt hours (MWh) of clean-energy benefits in May, with 2,978 MWh from energy efficiency and 20,000 MWh from renewable energy projects and purchases of renewable energy attributes.[10]

The year-to-date total through the end of May was 121,400 MWh, including 34,492 MWh from energy efficiency and 86,908 MWh from renewable energy projects and attributes. We thus remained on course to exceed the annual target of 234,000 MWh.

Electric Transportation

Village of Solvay Hybrid Truck—President Kessel participated in a May event marking the delivery of a hybrid-electric bucket truck to the Village of Solvay in Onondaga County as part of the Authority's Municipal and Rural Cooperative Electric-Drive Vehicle Program. NYPA provided a $55,800 grant to cover the vehicle's incremental cost (the difference in cost between the hybrid truck and a conventional truck of the same type) and financed the remainder of the purchase.

Joining Mr. Kessel at the event in Solvay were Mayor Kathleen Marinelli and Tony Modaferri, a former village mayor who is now executive director of the state Municipal Electric Utilities Association.

The truck's hybrid-drive system achieves up to 25 percent fuel savings in local haul applications. Total savings can reach 80 percent with the addition of a battery-powered aerial lift and associated reductions in engine idling.

Project Development and Management

World Trade Center Redevelopment Fuel Cells—UTC Power of South Windsor, Conn., successfully completed full-load testing in early June of the first of the three 400-kilowatt fuel cell power plants to be installed

in Tower 1 at the redeveloped World Trade Center site. Testing of the other units is proceeding. Arrangements are being made for the delivery or storage of these units to accommodate the delays in Tower 1 construction.

Meanwhile, UTC continues to fabricate additional fuel cells for Towers 2, 3 and 4 at the Trade Center site. The units for Tower 1 will be provided to the Port Authority of New York and New Jersey and those for Towers 2, 3 and 4 to WTC Properties, Inc., the private company responsible for development of those buildings.

Long Island Rail Road Hillside Support Facility Center (Queens, New York City)—A new $438,000 chiller, designed and installed by NYPA staff, began operation on May 29. The 188-ton chiller is expected to provide annual savings of more than $42,000.

City University of New York, New York City College of Technology (Brooklyn)—Construction has started on this $66 million project following execution of a Customer Installation Commitment (CIC).[11] The work will include the replacement of the central boiler and chiller plant with new energy efficient equipment, as well as an electrical service upgrade. Savings of $2.7 million a year are anticipated, along with a reduction of more than 4,800 tons in annual carbon dioxide emissions.

New York City Housing Authority Castle Hill Houses Controls and Lighting Upgrade (Bronx)—The replacement of steam traps and lighting fixtures and the installation of wireless energy modules began on June 8 as part of this $17.6 million initiative.[12,13] Work has been completed in more than 100 of the 2,025 apartments that will be involved in the project. Annual savings of $1.4 million are anticipated. In a separate $11 million project at Castle Hill, discussed in last month's report, five new efficient boilers are in service and await final inspection and signoff by the city's Department of Buildings.

United Nations Development Corporation— Following execution of a CIC, the installation of energy efficient lighting is under way at 1 and 2 U.N. Plaza, office buildings owned and operated by the United Nations Development Corporation, a NYPA electricity customer since 1994.[14] The total cost is expected to be about $3.8 million, with annual savings of more than $536,000.

State University of New York College at Purchase—This $11.8 million project, with estimated annual savings of $480,000, includes the installation of new chillers, a new emergency generator and 12 ice storage

tanks, along with a high-tension service upgrade.[15] Demolition of the two previous chillers, pumps, heat exchangers, an air handling unit and piping is complete, as is installation of the emergency generator pad.[16] Delivery and installation of the ice storage tanks is scheduled to begin in July.

State University of New York at Buffalo—Installation of room-by-room temperature controls at the Ellicott dormitory complex on the University's Amherst campus has begun. The $3.9 million project is expected to produce annual savings of more than $284,000 and to reduce yearly carbon dioxide emissions by over 1,700 tons. The CIC has been executed.

Solar Energy Projects

100-Megawatt Project—The Authority has issued a Request for Expressions of Interest (RFEI) to explore a public-private partnership for the installation of up to 100 megawatts of solar photovoltaic systems at municipal facilities, public and private schools, businesses and state agencies throughout New York.[17] Responses to the RFEI are due July 7, and current plans call for issuance of a Request for Proposals to potential developers in the fall.[18]

Governor Paterson announced the initiative, which would be the largest solar photovoltaic project in New York State, on May 15.

State University of New York at Buffalo—It now appears that construction of a 1.1- megawatt solar photovoltaic project on the university's Amherst campus could be completed well in advance of the fall 2010 date cited in last month's report to the Trustees, with operation possible before the end of this year. NYPA is supporting the project with a grant of $6 million to $7.5 million and is helping to provide site design, engineering and construction services.

POWER RESOURCE PLANNING AND ACQUISITION

Offshore Wind Projects

The Trustees will be asked at the June 30 meeting to approve one or more awards in response to a Request for Proposals (RFP) for technical consulting assistance that will cover both the Great Lakes and Long

Island – New York City Offshore Wind Projects. NYPA issued the RFP on April 27 and bids were received on May 19.

Sixteen responses have been received to the Request for Expressions of Interest for the Great Lakes Project, which was issued on Earth Day, April 22. Responders have included developers, contractors and stakeholders from Western New York, elsewhere in New York State, other states, Ontario and Europe. Information obtained from their submittals will be used to assess environmental, economic development, technical, financial and socio-economic issues as NYPA updates siting studies and prepares to issue an RFP to prospective developers.

The proposed installation of a minimum of 120 megawatts of offshore wind capacity in Lake Erie and Lake Ontario would be the largest commercial-scale wind-power project in the Great Lakes.

Hudson Transmission Partners Project

Staff will brief the Trustees in executive session at the June 30 meeting on elements of the Hudson Transmission Partners project, including the details of potential power-purchase agreements and financing arrangements. We are carrying out an aggressive outreach effort with the New York City governmental customers to determine the approaches that will best meet their needs and to obtain their concurrence before submitting recommended agreements for Trustee approval.

New York City Medium-Term Supplies

A revised draft Request for Proposals and related documents were distributed to the New York City governmental customers following meetings of a NYPA/Customer Working Group. The RFP is expected to be released shortly, subject to customer approval.

The RFP will seek bids for physical supplies of 300 to 500 megawatts of energy and capacity to serve the governmental customers for up to five years, beginning as soon as 2010.[19] The supplies would come from existing power plants in New York State.

OFFICE OF THE CHIEF OPERATING OFFICER

Corporate Emergency Management Plan

The first phase of the Corporate Emergency Management Plan study has been completed and the results were presented to Executive Management in mid-June. The study entailed an assessment of NYPA's current emergency management plans and risks, as well as recommendations on how to improve emergency management planning at the Authority. We will continue to work with our consultants—Beck DR—to develop a comprehensive corporate plan and put into place the necessary support documentation and capabilities to ensure readiness.

Corporate Sustainability Plan

An interdepartmental team of NYPA employees has been working over the past four months to develop a Corporate Sustainability Plan. A Chief Sustainability Manager, Jenifer Becker, who joined the Authority staff in February, is overseeing the effort, which includes opportunities for all employees to provide ideas on how to promote sustainability at NYPA.

The plan will incorporate the "triple bottom line" approach, a widely used method that encompasses environmental stewardship, social equity and economic prosperity and will help to support our efforts to further Governor Paterson's environmental and energy goals.

We will share more detailed information on the plan with the Board in the coming months, and one-on-one briefings will be scheduled to obtain suggestions and feedback.

ANTICIPATED DEVELOPMENTS OVER THE NEXT SIX MONTHS

ENERGY SERVICES AND TECHNOLOGY

Weatherization

Municipal and Cooperative Customers—The Authority expects to announce its 2009 weatherization program for municipal electric system and rural cooperative residential customers in September. NYPA will assist customers in financing and installation of attic and crawl space insulation to help reduce the amount of electricity needed for home heating. The state's two public power organizations—the Municipal Electric Utilities

Association and the New York Association of Public Power—will identify the systems that will participate in the program. In addition to the insulation services, NYPA will offer participating systems incentives for the installation of solar photovoltaic systems at homes and commercial facilities.

Westchester County Housing Authority—We anticipate that the Trustees will be asked at the September meeting to extend the program, previously approved in September 2008, to promote energy efficiency in the Housing Authority's apartments. Under the extension, NYPA will provide energy efficiency items to up to 10,000 Housing Authority tenants. The items will include compact fluorescent bulbs, gaskets for outlet covers and light switches, a thermometer to measure refrigerator and freezer temperatures and a light-emitting-diode night light.[20]

CORPORATE SERVICES AND ADMINISTRATION

Compensation Review

A new compensation policy, based on an ongoing review by Human Resources staff, is expected to be recommended to the Trustees in July.

GLOSSARY

[1] Outage—The removal of a power plant or transmission line from service. Outages may be scheduled for purposes such as anticipated maintenance, or forced by unexpected events. A significant forced or emergency outage of an individual generating unit is an event of more than 72 hours in duration, entailing a repair cost of more than $75,000 or resulting in more than $50,000 of lost revenues. A significant forced or emergency outage of an individual transmission line is an event that directly affects the reliability of the state's transmission network, or the availability of any component of the network, for more than eight hours or has a repair cost of more than $75,000.

[2] Net generation—The energy generated in a given time period by a power plant or group of plants, less the amount used at the plants themselves (station service) or for pumping in a pumped storage facility.

[3] Megawatt hours—The amount of electricity needed to light ten thousand l00-watt light bulbs for one hour. A megawatt is equal to 1,000 kilowatts and can power about 800 homes, based on national averages.

[4] Unforced capacity rating—All power plants have an installed capacity, or ICAP, meaning the amount of power they could generate under perfect conditions. Since conditions are not always perfect and plants are shut down, there is a second measurement, called the unforced capacity, or UCAP, which is how much power a plant actually can produce. For New York State power plants, this measurement is influenced by the amount of time a plant is forced out of service when it is called into service through the New York Independent System Operator to provide energy.

[5] New York Independent System Operator—A not-for-profit organization that operates New York State's transmission system, administers the state's wholesale electricity markets and engages in planning to ensure the future reliability of the statewide power system.

[6] ***Life Extension and Modernization programs—Major undertakings in which all the turbines at the St. Lawrence-Franklin D. Roosevelt and Blenheim-Gilboa projects are being replaced and the generators and other components significantly refurbished. The programs are intended to ensure that the projects operate at maximum efficiency far into the future.***

[7] ***Spherical valve—A component at the bottom of the powerhouse that receives water that has surged downward from the Blenheim-Gilboa project's upper reservoir and releases it to spin a turbine-generator to produce electricity. The project has four spherical valves, one for each of its four pump-generating units. Each spherical valve is about nine feet in diameter and can be closed within 30 seconds if necessary to shut off water from the upper reservoir.***

[8] ***National Hydropower Association—The U.S. hydropower industry's national trade organization, with approximately 140 members, including NYPA. Its mission is to protect and promote hydropower development through legislative, regulatory, technical and public communication activities.***

[9] ***Iroquois Dam—A 1,980-foot-long installation that is located about 28 l/2 miles upstream from the power dam at the St. Lawrence-Franklin D. Roosevelt Power Project. Its function is to regulate the outflow from Lake Ontario.***

[10] ***Renewable energy attributes—The environmental, social and economic features of renewable energy that may be sold separately from the energy itself; NYPA obtains such attributes on behalf of its New York City government customers.***

[11] ***Customer Installation Commitment—An agreement by a participating customer authorizing NYPA to proceed with implementation of an energy efficiency project. If a customer elects to terminate a project after executing the agreement, it will be obligated to reimburse the Authority for all expenses incurred to that point.***

[12] ***Steam traps—Devices used to discharge condensate and non-condensable gases from a steam system while not permitting the escape of live steam.***

[13] ***Wireless energy modules—Temperature sensors used to monitor and control energy use.***

[14] ***United Nations Development Corporation—A not-for-profit public benefit corporation created by the State Legislature in 1968 to provide commercial office space and other facilities for the United Nations community in New York City.***

[15] ***High-tension service—Electric service at levels above 4,160 volts. NYPA will install upgraded control and metering devices in a substation that is owned by the college and is connected to the Con Edison system.***

[16] ***Emergency generator pad—A concrete pad or platform used to support an emergency generator.***

[17] ***Request for Expressions of Interest—A document issued to prospective vendors and contractors in the early phases of a project to obtain preliminary information on the nature and cost of the services they can provide and to determine their potential interest in bidding on the project.***

[18] ***Request for Proposals—A formal solicitation of bids for a project; it may or may not be preceded by a Request for Expressions of Interest or a Request for Information.***

[19] ***Energy and capacity—Energy, in this context, is the amount of electricity that is used by a customer in a given time period; it is usually expressed in megawatt hours or kilowatt hours. Capacity, as used here, is the share of a power plant's output that is contractually reserved for a customer; it is usually expressed in megawatts or kilowatts.***

[20] ***Light emitting diode—A transistor-type device that emits light when voltage is applied. LEDs are used for such purposes as electric lighting, traffic signals and displays on digital watches. They offer many advantages over***

traditional light sources, such as lower energy consumption, longer lifetime and the fact that they are mercury - and lead-free.

In response to a question from Trustee Nicandri, Mr. Quiniones said that staff has been meeting with National Grid about its planned transmission system improvement project and that the licensing process would begin sometime early next year. President Kessel added that staff will keep the Trustees informed about the progress of this work, saying that the Authority may have to go public sooner rather than later due to Federal Energy Regulatory Commission disclosure requirements. Trustee Curley said that he found Mr. Quiniones' written report very helpful, particularly the glossary, and Mr. Quiniones said that Vice Chairman Foster had requested that the glossary be added to the report.

c. <u>Report of the Chief Financial Officer</u>

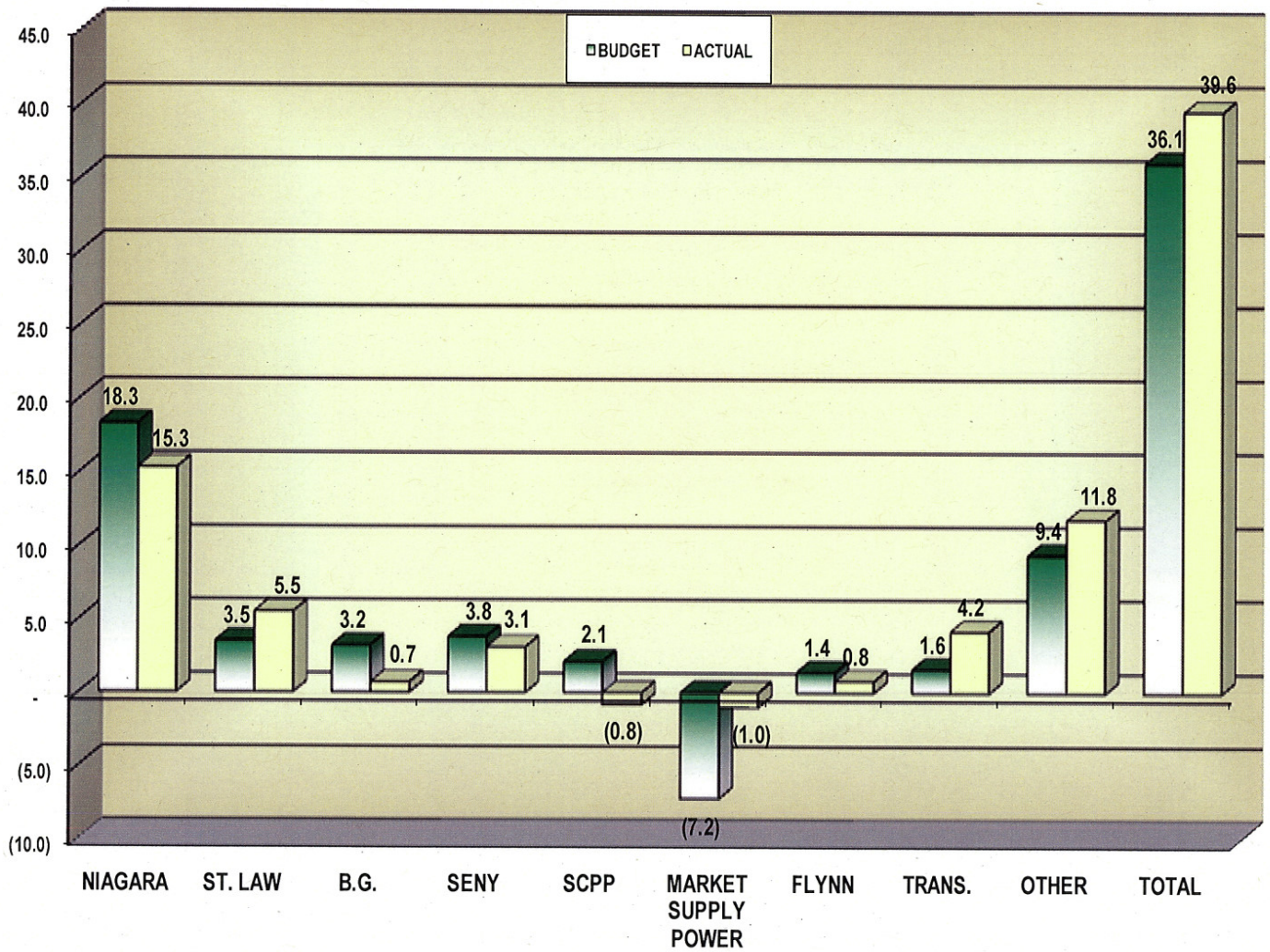
Mr. Joseph Del Sindaco presented highlights of the report to the Trustees.

NEW YORK POWER AUTHORITY

REPORT OF THE CHIEF FINANCIAL OFFICER

FOR THE FIVE MONTHS ENDED MAY 31, 2009

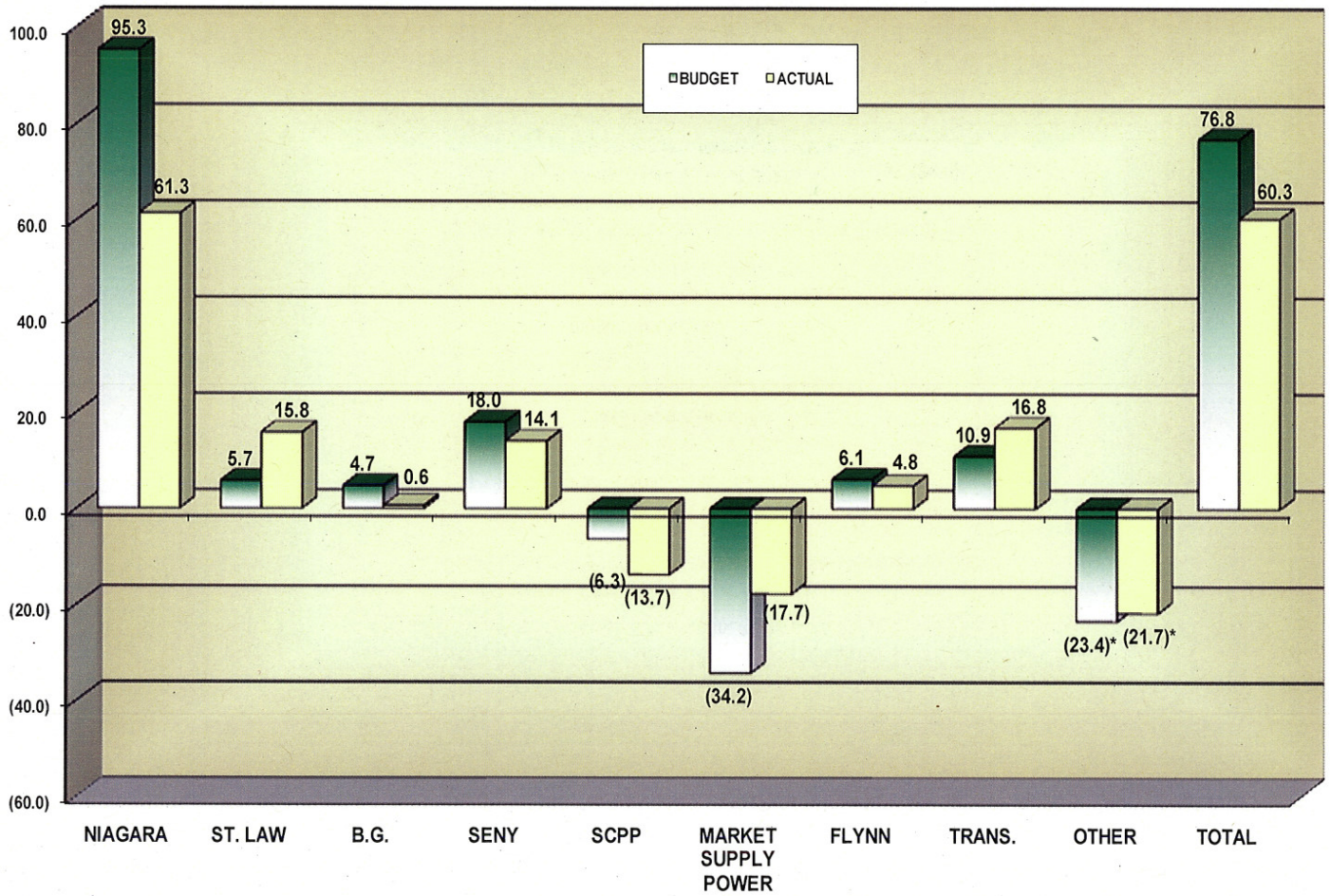
Net Income By Facility
MAY 2009
($ in millions)



Major Factors	Better (Worse)
Niagara Primarily lower revenues for regulation service provided to NYISO (due to lower market prices).*	$ (3.0)
Blenheim-Gilboa Lower market based sales (64% lower production).	$ (2.5)
St. Lawrence Higher market based sales (19% higher production).	2.0
SCPP's Lower market-based sales partially offset by lower fuel costs.	(2.9)
MSP Lower purchased power costs (due to lower prices) partially offset by lower revenues.	6.2
Other Primarily mark-to-market gain on investments (lower market interest rates).	2.4
Misc.	1.3
Total	**$ 3.5**

*** Regulation revenues are provided to generators who assist in maintaining the balance of resources (generation/ load) in the market.**

Net Income By Facility
Five months ended May 31, 2009
($ in millions)

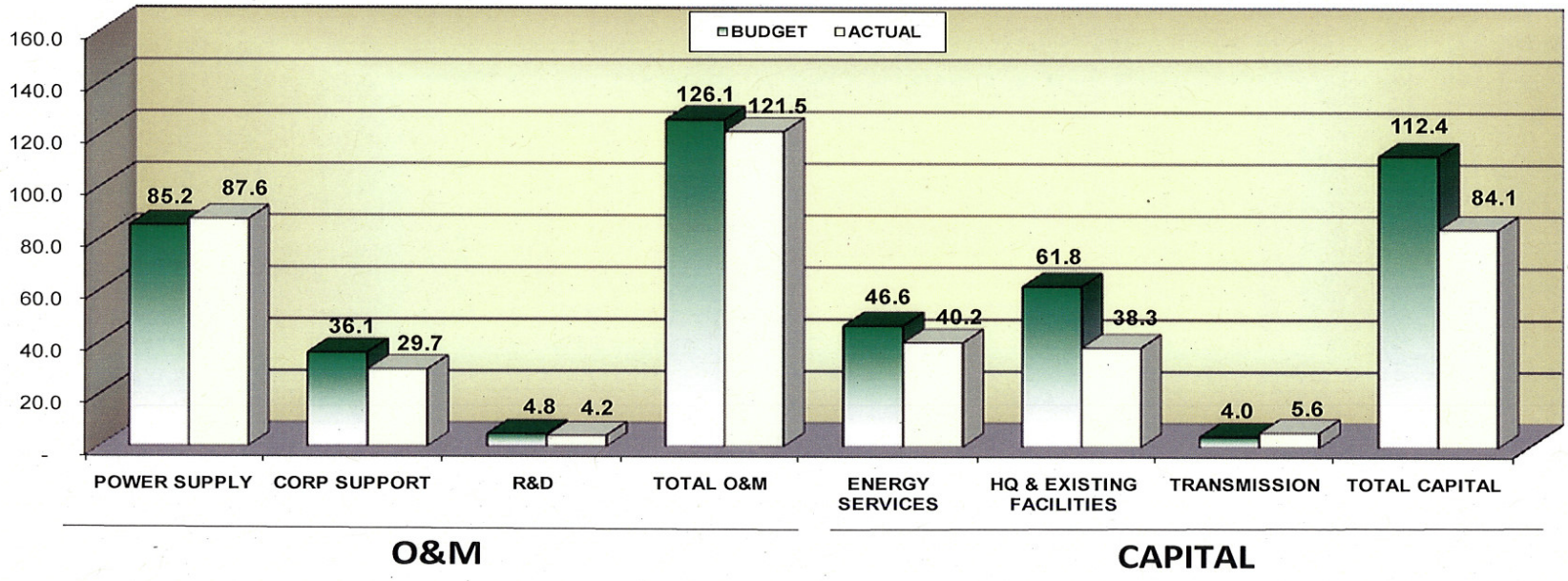


*Includes $70 million contribution to NY state (Actual & Budget).

Major Factors	Better (Worse)
Niagara** Primarily lower revenues on market-based sales for energy and regulation service.	$ (34.0)
St. Lawrence Higher market based sales & lower purchased power (14% higher production).	10.1
SCPP's Lower market based sales partially offset by lower fuel costs.	(7.4)
MSP Lower purchased power (lower prices) partially offset by lower revenues.	16.5
Other Realized gains on the sale of investment securities and lower debt costs, offset by higher mark-to-market loss.	1.7
Misc.	(3.4)
Total	**$ (16.5)**

**** Approximately 75% of this variance is due to lower market prices. The remainder is due to a timing difference in interruptiple sales to out of state customers that is expected to reverse during the remainder of the year.**

O&M and Capital Expenditures
Five months ended May 31, 2009
($ in millions)



- Through May, O&M expenses were $4.6 lower than the budget.

- Corporate Support expenses were under budget by $6.4 due mostly to under spending for IT computer hardware, software and consulting services.

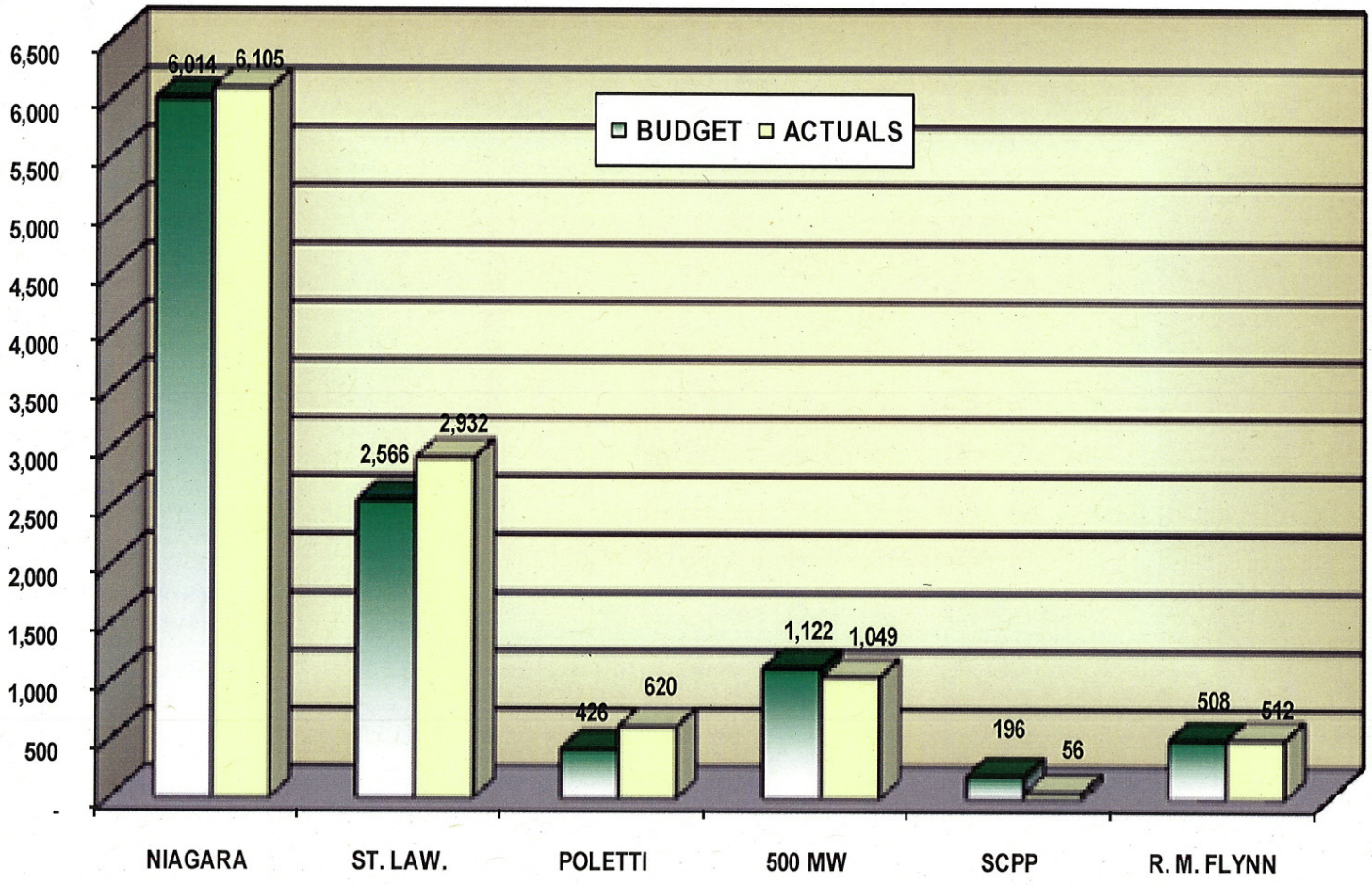
- Power supply expenditures were $2.4 higher than budgeted primarily at the 500MW facility and Niagara. The 500MW facility overrun was due to emergent contractor and material costs associated with the repairs to the unit 7A stator vanes. Niagara was over budget due to higher than anticipated contractor support for the RMNPP Gallery Structure Repair and the LPGP unit #1 wicket gate repair.

- Lower capital expenditures at HQ and Existing Facilities were primarily due to delays in various projects such as the St. Lawrence LEM and Breaker Replacement . Energy Service expenditures were under budget due to timing differences related to the NYPA Energy Services Programs.

- Under the Expenditure Authorization Procedure, the President has authorized new expenditures on budgeted capital projects of $14.8 for 2009. The following expenditures were authorized this month:

Integrated Resource Planning	$1.2
Preliminary Funding – power generation	1.1
Energy Management System Upgrade	0.9

GENERATION
YTD May 2009
(MWH in thousands)

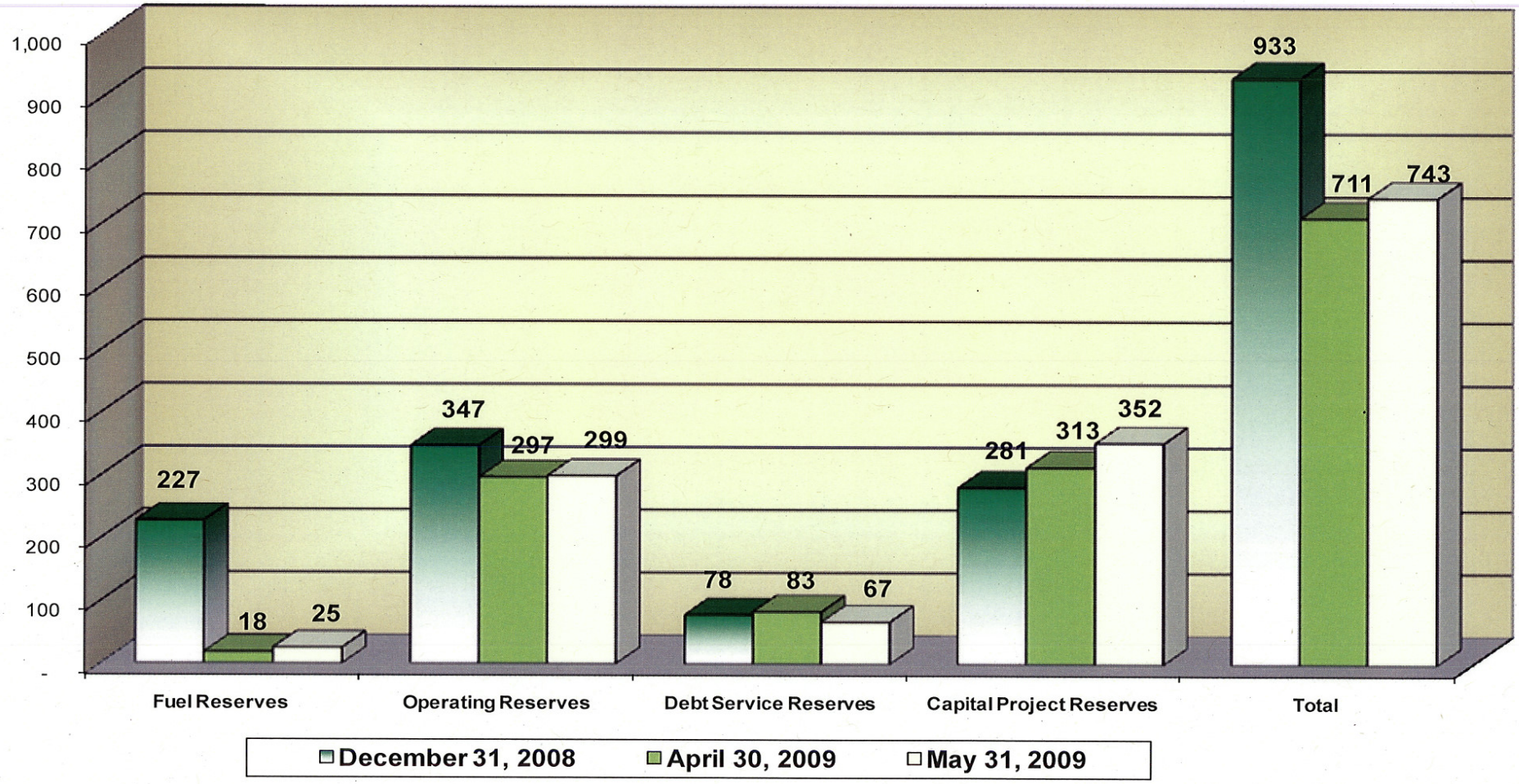


GENERATION
MONTH OF MAY 2009

	BUDGET	ACTUAL	%
NIAGARA	1,136	1,229	8%
ST. LAW	554	662	19%
POLETTI	144	130	-10%
500MW	250	237	-5%
SCPP	45	4	-90%
FLYNN	99	82	-16%
BG	(34)	(11)	-68%
SM. HYDRO	16	15	-9%
Total	2,210	2,348	6%

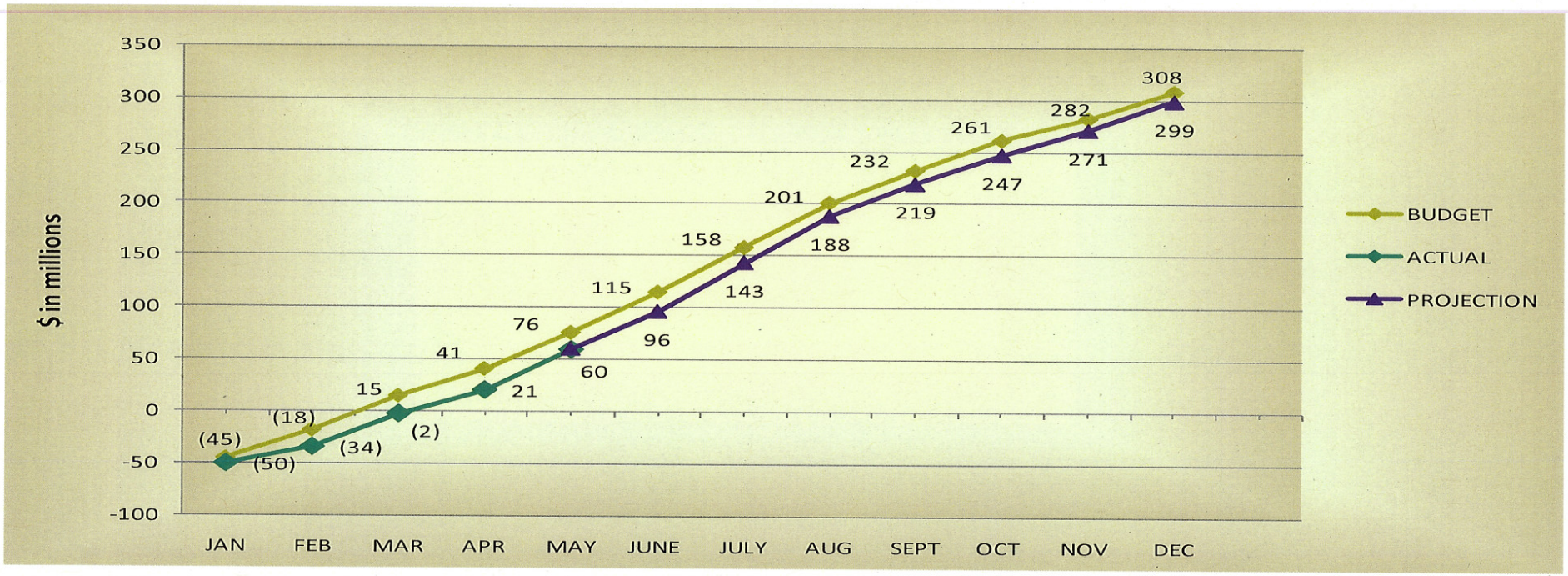
Production for May was 6% higher than anticipated resulting in 5% higher generation year-to-date. Through May, generation was higher at Poletti, St. Lawrence, and Niagara, partially offset by lower production at the SCPP's and the 500MW plant.

Operating Fund
As of May 31, 2009
($ in millions)



The year-to-date decrease in the fuel reserve balance resulted primarily from a $215 Temporary Asset Transfer to NY State as authorized by the Trustees on February 3, 2009. The May balance of $25 represents $70 allocated to The Energy Hedging Reserve Fund less $45 being held by counterparties as collateral for commodity futures contracts.

Net Income Projection
Year ended December 31, 2009
($ in millions)



Major Assumptions:

- Hydroelectric generation is expected to be slightly above budget at Niagara and 9% above budget at St. Lawrence. A dramatic drop in market prices (down 25%) is the primary driver of a $46 decrease in Niagara net income. In addition, use of Expansion power revenues to reduce bills via an Industrial Incentive Award contributed to the decline by $3.2. Lower market prices at St. Lawrence, the North Country Stimulus program and lower customer sales are being offset by higher generation resulting in increased net income of $11 for St. Lawrence.

- The Market Supply Power segment , which is a net buyer of market-based energy, is benefiting from lower market prices resulting in a net income improvement of $46, with an estimated net loss for the year currently forecasted at $31.

- Blenheim-Gilboa year-end projected net income is under budget by $11 due to lower electric prices and reduced net generation.

- Small Clean Power Plants will see a decrease in net income of $8 due to lower electric prices and reduced net generation.

- A higher water flow scenario (21.7 twh) would yield net income of $319, whereas a low water flow scenario (20.1 twh) would yield net income of $263.

STATEMENT OF NET INCOME
For the Five Months Ended May 31, 2009
(in Millions)

Annual Budget		Actual	Budget	Variance Favorable/ (Unfavorable)
	Operating Revenues			
$2,081.9	Customer	**$762.9**	**$831.6**	**($68.7)**
805.4	Market-based power sales	226.6	269.9	(43.3)
62.3	Ancillary services	17.2	33.2	(16.0)
88.0	NTAC and other	42.0	35.7	6.3
955.7	Total	**285.8**	**338.8**	**(53.0)**
3,037.6	**Total Operating Revenues**	**1,048.7**	**1,170.4**	**(121.7)**
	Operating Expenses			
1,060.3	Purchased power	370.3	416.5	46.2
516.5	Fuel consumed - oil & gas	157.1	196.8	39.7
95.8	Ancillary services	29.0	38.9	9.9
441.6	Wheeling	141.6	146.6	5.0
304.5	Operations and maintenance	121.5	126.1	4.6
160.7	Depreciation and amortization	67.0	67.0	-
115.0	Other expenses	51.5	50.2	(1.3)
(10.4)	Allocation to capital	(3.0)	(3.9)	(.9)
2,684.0	**Total Operating Expenses**	**935.0**	**1,038.2**	**103.2**
353.60	**Net Operating Revenues**	**113.7**	**132.2**	**(18.5)**
	Nonoperating Revenues			
89.8	Post nuclear sale income	43.4	43.4	-
43.9	Investment income	19.7	16.9	2.8
(3.7)	Mark to market - investments	(6.8)	(1.5)	(5.3)
130.0	**Total Nonoperating Revenues**	**56.3**	**58.8**	**(2.5)**
	Nonoperating Expenses			
70.0	Contributions to New York State	70.0	70.0	-
105.7	Interest and other expenses	39.7	44.2	4.5
175.7	**Total Nonoperating Expenses**	**109.7**	**114.2**	**4.5**
(45.7)	**Net Nonoperating Income (Loss)**	**(53.4)**	**(55.4)**	**2.0**
$307.9	**Net Income (Loss)**	**$60.3**	**$76.8**	**($16.5)**

COMPARATIVE BALANCE SHEETS
May 31, 2009

Assets		May 2009	May 2008	December 2008
Current Assets				
	Cash	$0.1	$0.1	$0.1
	Investments in government securities	762.9	857.2	961.1
	Interest receivable on investments	5.2	17.5	7.1
	Accounts receivable - customers	248.5	212.2	159.0
	Materials and supplies, at average cost:			
	Plant and general	82.3	75.3	84.5
	Fuel	30.0	34.1	38.6
	Prepayments and other	185.0	101.2	188.6
	Total Current Assets	**1,314.0**	**1,297.6**	**$1,439.0**
Noncurrent Assets				
Restricted Funds	Investment in decommissioning trust fund	818.4	966.1	811.8
	Other	100.4	91.0	99.8
	Total Restricted Funds	**918.8**	**1,057.1**	**911.6**
Capital Funds	Investment in securities and cash	219.2	256.5	215.2
	Total Capital Funds	**219.2**	**256.5**	**215.2**
Net Utility Plant	Electric plant in service, less accumulated depreciation	3,347.8	3,389.0	3,370.6
	Construction work in progress	147.3	156.5	157.6
	Net Utility Plant	**3,495.1**	**3,545.5**	**3,528.2**
Other Noncurrent Assets	Receivable - NY State	215.0	-	-
	Deferred charges, long-term receivables and other	543.6	492.5	503.3
	Notes receivable - nuclear plant sale	153.7	165.4	182.2
	Total other noncurrent assets	**912.3**	**657.9**	**685.5**
	Total Noncurrent Assets	**5,545.4**	**5,517.0**	**5,340.5**
	Total Assets	**$6,859.4**	**$6,814.6**	**$6,779.5**
Liabilities and Net Assets				
Current Liabilities	Accounts payable and accrued liabilities	$992.5	$811.4	$924.8
	Short-term debt	273.1	263.3	272.5
	Total Current Liabilities	**1,265.6**	**1,074.7**	**1,197.3**
Noncurrent Liabilities				
Long-term Debt	Revenue bonds	1,231.8	1,385.3	1,233.0
	Adjustable rate tender notes	137.5	144.0	144.0
	Commercial paper	421.3	409.5	469.0
	Total Long-term Debt	**1,790.6**	**1,938.8**	**1,846.0**
Other Noncurrent Liabilities	Nuclear plant decommissioning	818.4	966.1	811.8
	Disposal of spent nuclear fuel	215.6	213.6	215.5
	Deferred revenues and other	142.1	215.5	142.0
	Total Other Noncurrent Liabilities	**1,176.1**	**1,395.2**	**1,169.3**
	Total Noncurrent Liabilities	**2,966.7**	**3,334.0**	**3,015.3**
	Total Liabilities	**4,232.3**	**4,408.7**	**4,212.6**
Net Assets	Accumulated Net Revenues - January 1	2,566.8	2,268.4	2,268.4
	Net Income	60.3	137.5	298.5
	Total Net Assets	**2,627.1**	**2,405.9**	**2,566.9**
	Total Liabilities and Net Assets	**$6,859.4**	**$6,814.6**	**$6,779.5**

6. Power for Jobs Extended Benefits, Energy Cost Savings Benefit Awards and Economic Development Power Program Contract Extensions

The President and Chief Executive Officer submitted the following report:

SUMMARY

"It is expected that the Governor will sign legislation authorizing a one-year extension of the Power for Jobs ('PFJ') and the Energy Cost Savings Benefit ('ECSB') Programs through June 30, 2010. In anticipation of the enactment of the extension, it is expected that the Economic Development Power Allocation Board ('EDPAB') will recommend to the Authority that the Trustees approve the extension of PFJ to the customers listed in Exhibit '6-A' and ECSB program benefits to the customers listed in Exhibit '6-C' through June 30, 2010. It is therefore recommended that, subject to enactment of legislation, the Trustees approve such extensions and also, as necessary, extension of contracts for Economic Development Power, High Load Factor and Municipal Distribution Agency power through June 30, 2010, to coincide with the term of extended ECSB benefits to such entities for the customers listed in Exhibit '6-B.' Lastly, the Trustees are requested to extend the expiration dates of the ECSB rates contained in the attached Table I of the applicable tariffs (ST-1, ST-1S, ST-35, ST-50 and ST-50A) to June 30, 2010.

BACKGROUND

"In July 1997, the New York State Legislature and the Governor 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 program, originally intended to last three years, has been extended many times by the Legislature. 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 or a power contract extension. The Authority was also authorized to voluntarily fund the rebates, if deemed feasible and advisable by the Trustees.

"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 the program benefits until June 30, 2007. In 2007, a new law (Chapter 89 of the Laws of 2007) included provisions extending the program benefits until June 30, 2008.

"In 2008, a new law (Chapter 645 of the Laws of 2008) included provisions extending program benefits until June 30, 2009.

"In 2009, a new law (Chapter 645 of the Laws of 2009) included provisions extending program benefits until June 30, 2010.

Contract Extensions and ESCB Awards

"The Authority sells electricity to businesses under several State-authorized economic development power programs. These power sales are made through the Economic Development Power Program, High Load Factor Manufacturer Program, Municipal Distribution Agency Industrial Power Program and other power sales programs. The capacity and energy for these sales are provided by market purchases and supported by other Authority sources, as needed. In some instances, these customers are served directly by the Authority and in other cases the customers receive Authority power through resale arrangements with municipal distribution agencies or investor-owned utilities. Contracts range in length from 5 to more than 20 years.

"Chapter 313 of the Laws of 2005 allowed customers from the above listed economic development programs that would otherwise be exposed to price increases to apply for benefits under the ECSB program. The legislation also authorized the Authority to sell certain amounts of unallocated hydropower into the wholesale market

and use the net earnings from such sales to fund the Energy Cost Savings Benefits. During periods of lower market prices, the net earnings from the available hydropower have been sufficient to cover the cost of the ECSB program. In higher-priced markets, however, the Authority has needed to contribute to the ECSB program. From the inception of the program in November 2005 through February 2009, the net earnings from the unallocated hydropower sold into the wholesale market ($75.2 million) as compared to the costs of the ECSB ($92.9 million) has resulted in a cumulative net cost to the Authority of $17.7 million.

DISCUSSION

Power for Jobs

"Legislation concerning further extension of the PFJ program would allow PFJ recipients to continue with existing elections (i.e., power contracts or rebates) for an additional year through June 30, 2010, with the program benefits administered as in current law. In addition, the legislation would, in effect, extend for another year the availability of 'restitution' for those PFJ power contract customers that incur aggregate higher costs in the program as opposed to taking service from their local utilities under standard tariff provisions.

"Under the Economic Development Law, as would be amended by the legislation, EDPAB may prescribe a simplified form and content for an application for such extended PFJ benefits. An applicant is eligible for extended PFJ benefits only if it is in compliance with and agrees to continue to meet the job retention and creation commitments set forth in its prior PFJ contract, or such other commitments 'as the board deems reasonable.' However, in light of the need to avoid disruption in receipt of such benefits, the legislation requires that EDPAB expedite the award of extended PFJ benefits and defer the review of compliance with job commitments until after the applicant has been awarded extended benefits.

"In light of this legislative goal that current PFJ program participants receive PFJ extended benefits with minimal disruption, EDPAB recommends that review of compliance matters be deferred until on or before September 29, 2009. EDPAB recommends that the Authority approve such extensions for all PFJ program participants, subject to receipt of proper documentation requesting such extensions and agreement to the requisite commercial terms.

"It should be noted that, due to the requirements of the host utilities and the late consideration by the Legislature, there could be unavoidable gaps in the continuation of PFJ contract service. There will likely not be disruption in the provision of PFJ rebates since they are calculated after the fact.

"The Trustees are requested to approve contract extensions or the funding of rebates for the companies listed in Exhibit '6-A' through June 30, 2010. The actual payment of rebates for the companies listed in Exhibit '6-A' will continue to be made as in prior years subject to the financial considerations contained in the Fiscal Information section below. While the Trustees will not be asked to approve the payment amounts on a monthly basis, the information will be made available to them when requested. The total cost of the extended rebate program is estimated to be about $27 million at current market prices. From the inception of the rebate program in 2005 through the end of 2008, the Authority incurred $185 million in rebate payments to eligible customers, averaging slightly more than $45 million per year.

Contract Extensions and ECSB Awards

"There are 70 High Load Factor, Economic Development Power and Municipal Distribution Agency program customers whose underlying power contracts have terms ending on June 30, 2009, or on other dates before June 30, 2010. In order for such customers to receive an extension or initial award of ECSB benefits, it is necessary to extend their underlying power contracts. Pursuant to the Economic Development Law, EDPAB has recommended extension of Economic Development Power contracts, as necessary, so that such businesses will be able to receive ECSB benefits through the end of the legislation's extension period on June 30, 2010. These customers are listed on Exhibit '6-B.'

"ECSB awards serve to moderate rates for businesses served under the High Load Factor, Economic Development Power and Municipal Distribution Agency programs. Under the proposed new legislation EDPAB is authorized to approve extensions of ECSB awards through June 30, 2010. The legislation would extend availability of ECSB benefits to entities that are currently receiving such benefits and businesses under these programs whose rates would be subject to increase on or before June 30, 2010. For entities currently receiving ECSB awards, the legislation provides for continuation of the existing level of benefits for another year while allowing the Authority to continue to use up to 70 MW of unallocated Replacement Power to fund the ECSB awards, provided that any such Replacement Power must be made available for allocation in Western New York during the extension period.

"As under current law, applications for extensions of ECSB awards are to be in the form and contain such information, exhibits and supporting data as EDPAB may prescribe. EDPAB is to review the applications received and determine the applications that best meet the criteria established for the ECSB awards and recommend such applications to the Authority with 'such terms and conditions as it deems appropriate.' In order to avoid disruption in the delivery of ECSB benefits, the bill directs EDPAB to expedite the award of ECSB and to defer the review of compliance with job commitments until after applicants have been awarded ECSB.

"In light of the requirement of the legislation that current recipients receive extended ECSB benefits with minimal disruption subject to later review of compliance matters, EDPAB has recommended that the Authority approve extensions for all current ECSB program participants, subject to receipt of proper documentation requesting such extensions and agreement on the requisite commercial terms. In light of the legislative goal that current ECSB program participants receive extended benefits with minimal disruption, EDPAB recommends that review of compliance matters be deferred until on or before September 29, 2009.

"It is recommended that subject to enactment of legislation and subject to the financial considerations contained in the Fiscal Information section below, the Trustees approve ECSB awards to companies listed in Exhibit '6-C,' through June 30, 2010, the cost of which, at current market prices, is expected to be fully offset by the net receipts from the sale of unallocated Replacement Power and Preservation Power as allowed by the legislation. However, as noted above, should market prices increase to levels higher than those of today, there may be a net cost to the Authority, which would not be expected to exceed $20 million. Accordingly, in such an event, staff recommends that the Trustees authorize a withdrawal of up to $20 million from the Operating Fund for the payment of such amounts, provided that such amount is not needed at the time of withdrawal for any of the purposes specified in Section 503(1)(a)-(c) of the General Resolution Authorizing Revenue Obligations, as amended and supplemented.

"It should be noted that due to the requirements of the host utilities and the late consideration by the Legislature, there could be unavoidable gaps in the continuation of service to certain power program customers that request ECSB benefits.

"Given the financial condition of the Authority, its estimated revenues, operating expenses, debt service and reserve requirements, staff is of the view that it is feasible for the Authority to pay the anticipated added costs associated with the extension of the PFJ and ECSB programs through June 30, 2010 without compromising the Authority's financial integrity.

FISCAL INFORMATION

"Based on today's market prices, the ECSB program costs are expected to be fully offset by the net earnings from the unallocated hydropower sold into the wholesale market. The one-year extension of the PFJ program is estimated to cost the Authority approximately $27 million, a decrease from previous estimates due in large part to lower energy prices.

RECOMMENDATION

"The Director – Marketing Analysis and Administration and the Executive Vice President and Chief Financial Officer recommend that the Trustees approve the extended Power for Jobs and Energy Cost Savings Benefits and the contract extensions, as set forth above. Finally, the Trustees are requested to amend the service tariffs' Energy Cost Savings Benefits expiration date from June 30, 2009 to June 30, 2010.

"The Chief Operating Officer, the Executive Vice President and General Counsel, the Senior Vice President – Marketing and Economic Development and I concur in the recommendation."

Mr. James Yates presented the highlights of staff's recommendations to the Trustees. Trustee Curley recused himself from the vote with respect to H. H. Dobbins Inc.

The following resolution, as submitted by the President and Chief Executive Officer, was adopted by a vote of 4/1 with Trustee Curley recusing himself from the vote as it pertains to H. H. Dobbins Inc.

WHEREAS, the Economic Development Power Allocation Board has recommended that the Authority approve contract extensions and electricity savings reimbursements to the Power for Jobs customers listed in Exhibit "6-A"; and

WHERAS, the Economic Development Power Allocation Board has recommended that the Authority approve contract extensions to the Economic Development Power program customers listed in Exhibit "6-B"; and

WHEREAS, the Economic Development Power Allocation Board has recommended that the Authority approve the award of Energy Cost Savings Benefit Awards to the customers listed in Exhibit "6-C";

NOW THEREFORE BE IT RESOLVED, That subject to enactment of legislation substantially in the form described in the foregoing report of the President and Chief Executive Officer, the Authority implement such Economic Development Power Allocation Board recommendations, and the Authority hereby approves Power for Jobs contract extensions through June 30, 2010 for those companies listed on Exhibit "6-A," and authorizes the continued payment of Power for Jobs electricity savings reimbursements to the companies listed in Exhibit "6-A" as submitted to this meeting, subject to the terms set forth in the foregoing report of the President and Chief Executive Officer, and that the Authority finds that such extensions are in all respects reasonable, consistent with the requirements of the Power for Jobs program and in the public interest; and be it further

RESOLVED, That the Authority approves contract extensions for the Economic Development, High Load Factor and Municipal Distribution Agency customers set forth in Exhibit "6-B," provided the Authority receives proper documentation requesting such extensions and agreement on the requisite commercial terms; and be it further

RESOLVED, That subject to enactment of authorizing legislation substantially in the form described in the foregoing report of the President and Chief Executive Officer, the Authority approves contract extensions for the Economic Development, High Load Factor and Municipal Distribution Agency customers set forth in Exhibit "6-B," provided the Authority receives proper documentation requesting such extensions and agreement on the requisite commercial terms; and be it further

RESOLVED, That the customers' service tariffs be modified accordingly to reflect the extension of the program as shown in Table I; and be it further

RESOLVED, That based on the recommendation of staff, it is hereby authorized that payments be made for electricity savings reimbursements as described in the foregoing report of the President and Chief Executive Officer in the aggregate amount of up to $45 million for all extensions of such programs after July 1, 2009 and it is hereby found that amounts may properly be withdrawn from the Operating Fund to fund such payments; and be it further

RESOLVED, That such monies may be withdrawn pursuant to the foregoing resolution upon the certification on the date of such withdrawal by the Senior Vice President – Corporate Planning and Finance or the Treasurer that the amount to be withdrawn is not then needed for any of the purposes specified in Section 503 (1)(a)-(c) of the General Resolution Authorizing Revenue Obligations, as amended and supplemented; and be it further

RESOLVED, That the Senior Vice President – Marketing and Economic Development or his designee be, and hereby is, authorized to negotiate and execute any and all documents necessary or desirable to effectuate the foregoing; and be it further

RESOLVED, That the Chairman, the Vice Chairman, the President and Chief Executive Officer, the Chief Operating Officer and all other officers of the Authority are, and each of them hereby is, authorized on behalf of the Authority to do any and all things, take any and all actions and execute and deliver any and all certificates, agreements and other documents to effectuate the foregoing resolutions, subject to the approval of the form thereof by the Executive Vice President and General Counsel.

New York Power Authority **Exhibit A**

Power for Jobs - Extended Benefits **June 30, 2009**

List of Current Customers As of June 2009

Line	Company	City	County	IOU	Current Allocation KW	Current Allocation Jobs	Benefit Rebate	Benefit Power	Type	Service
1	Northeast Solite Corp.	Mount Marion	Ulster	CHGE	600	60	1		Large	Manufactures nonmetallic mineral products
	Total Central Hudson			**1**	**600**	**60**				
2	92nd Street YM-YWHA	New York	New York	Con Ed	200	855	1		NFP	Community/cultural center
3	A. L. Bazzini	Bronx	Bronx	Con Ed	125	117		1	Small	Processes nuts and seeds and confectionary products
4	A. Stein Meat Products, Inc.	Brooklyn	Kings	Con Ed	120	28	1		Small	Meat wholesale/fabrication
5	Acme Architectural Products, Inc.	Brooklyn	Kings	Con Ed	620	471	1		Large	Manufacturer of office landscape systems
6	Acme Smoked Fish Corp.	Brooklyn	Kings	Con Ed	400	140	1		Large	Food processor
7	Alvin J. Bart & Sons	Brooklyn	Kings	Con Ed	500	126		1	Large	Commercial printing
8	American Ballet Theater	New York	New York	Con Ed	20	230	1		NFP	Performing arts organization
9	American Cancer Society	New York	New York	Con Ed	80	73	1		NFP	Social Services Provider
10	American Folk Art Museum	New York	New York	Con Ed	50	55		1	NFP	Museum
11	American Indian Community House	New York	New York	Con Ed	35	42	1		NFP	Assist Native Americans multifaceted social support agency
12	Asia Society	New York	New York	Con Ed	225	148		1	NFP	Educational and Cultural Organization
13	AT&T	White Plains	Westchester	Con Ed	560	610	1		Large	Telecommunications
14	Ballet Hispanico	New York	New York	Con Ed	15	60		1	NFP	School of Dance
15	Bank of New York	New York	New York	Con Ed	4,700	6,813	1		Large	Banking Services
16	Belmont Metals, Inc.	Brooklyn	Kings	Con Ed	400	83	1		Large	Manufacturer of non-ferrous metals
17	Beth Israel Medical Center	New York	New York	Con Ed	3,800	7,260	1		NFP	Health Care Center
18	Blythedale Children's Hospital	Valhalla	Westchester	Con Ed	150	386		1	NFP	Children's hospital
19	Bowne & Co	New York	New York	Con Ed	550	362	1		Large	Provides document management services
20	Bronx-Lebanon Hospital Center	Bronx	Bronx	Con Ed	800	3,778		1	NFP	Medical Center
21	Brooklyn Information and Culture	Brooklyn	Kings	Con Ed	50	54		1	NFP	Community Service
22	Cecilware Corp.	Long Island City	Queens	Con Ed	300	178	1		Small	Manufacturer of restaurant equipment
23	Children's Museum of Manhattan	New York	New York	Con Ed	110	78		1	NFP	Museum
24	Chloe Foods	Brooklyn	Kings	Con Ed	800	448		1	Large	Food Manufacturing
25	Citi Group	New York	New York	Con Ed	5,000	1,500		1	Large	Investment
26	Clay Park Labs, Inc.	Bronx	Bronx	Con Ed	1,000	371		1	Large	Produces Pharmaceutical products
27	Coca Cola Bottling Co. NY	Elmsford	Westchester	Con Ed	1,250	2,554	1		Large	Soft Drink Producer
28	Columbia University - Trustees	New York	New York	Con Ed	750	750	1		NFP	Educational and Student Services
29	Comco Plastics, Inc.	Richmond Hill	Queens	Con Ed	250	37		1	Small	Makes precision plastic parts
30	Coney Island, USA	Brooklyn	Kings	Con Ed	15	15		1	NFP	
31	Continental Food Products, Inc.	Flushing	Queens	Con Ed	300	59	1		Small	Frozen Pizza manufacturer and distributor.
32	Cumberland Packaging	Brooklyn	Kings	Con Ed	750	371		1	Large	Manufactures Sweet & Low sugar substitute
33	Dab-O-Matic Corporation	Mount Vernon	Westchester	Con Ed	150	96		1	Small	Plastic Products
34	Diller-Quaile School of Music	New York	New York	Con Ed	30	59	1		NFP	Music education programs

New York Power Authority **Exhibit A**

Power for Jobs - Extended Benefits **June 30, 2009**

List of Current Customers As of June 2009

Line	Company	City	County	IOU	Current Allocation KW	Current Allocation Jobs	Benefit Rebate	Benefit Power	Type	Service
35	Display Producers, Inc.	Bronx	Bronx	Con Ed	215	197	1		Small	Display cases
36	Dontis Produce Co.	Brooklyn	Kings	Con Ed	50	7		1	Small	Produce are cut, smoked, stored, packaged & distributed
37	Downtown Community TV	New York	New York	Con Ed	15	20		1	NFP	Video Center
38	E.G. Foods	Brooklyn	Kings	Con Ed	40	7		1	Small	Food Distributor
39	East Harlem Arts & Education Local Devel. Corp	New York	New York	Con Ed	60	32	1		NFP	Provides facilities to house arts education & social services
40	Edison Price Lighting, Inc.	New York	New York	Con Ed	260	102	1		Small	Manufacturer and sales of lighting fixtures
41	Elaine Kaufman Cultural Center	New York	New York	Con Ed	60	74	1		NFP	Multi-arts center
42	Empire Merchants, LLC	Astoria	Queens	Con Ed	750	968	1		Large	Distributors of wines and spirits
43	Fort Meat Wholesale	Brooklyn	Kings	Con Ed	60	23	1		Small	Meat packager & distributor
44	Gary Plastic Packaging Corp.	Bronx	Bronx	Con Ed	800	541		1	Large	Plastics packaging manufacturer plastic containers
45	Greater Jamaica Development Corp.	Jamaica	Queens	Con Ed	375	151	1		NFP	Urban & Community Development
46	Haleakala dba The Kitchen	New York	New York	Con Ed	30	12		1	NFP	Theaters
47	Henry Modell Inc. / Modell's NY Inc	Bronx	Bronx	Con Ed	400	254		1	Large	Warehousing and distribution of sporting goods and apparel
48	Henry Street Settlement	New York	New York	Con Ed	300	793		1	NFP	Social Services
49	Home for Contemporary Theater & Art	New York	New York	Con Ed	30	23	1		NFP	Arts venue - presenting a wide range of performing arts disciplines
50	Hudson Valley Hospital Center	Cortland Manor	Westchester	Con Ed	350	808		1	NFP	Hospital
51	International Business Machines - White Plains	White Plains	Westchester	Con Ed	3,870	2,115	1		Large	Computer Manufacturer
52	Intrepid Museum Foundation	New York	New York	Con Ed	450	65	1		NFP	Museum - including cultural & educational public programs
53	J.J. Cassone Bakery, Inc.	Port Chester	Westchester	Con Ed	400	196		1	Large	Commercial bakery
54	Jacmel Jewelry, Inc.	Long Island City	Queens	Con Ed	170	266	1		Small	Makes & ships fine jewelry
55	King Solomon Food, Inc.	Brooklyn	Kings	Con Ed	100	24		1	Small	Fresh & frozen beef, pork and poultry - cut, package, and ship
56	Kingsbrook Jewish Medical Center	Brooklyn	Kings	Con Ed	1,200	1,910	1		NFP	Not for Profit Medical and Research Institution
57	Kips Bay Boys and Girls Club	Bronx	Bronx	Con Ed	150	128		1	NFP	Social Service for youth development
58	Kruysman, Inc.	Long Island City	Queens	Con Ed	170	104	1		Small	Manufacturer of Filing Supplies
59	Leake and Watts Services, Inc.	Yonkers	Westchester	Con Ed	500	869		1	NFP	Child care agency
60	Lincoln Center for the Performing Arts	New York	New York	Con Ed	3,000	4,035	1		NFP	Performing Arts Center
61	Liz Claiborne, Inc.	New York	New York	Con Ed	1,500	1,019	1		Large	Clothing and Accessories Manufacturer.
62	Long Island Jewish Medical Center	Manhasset	Nassau	Con Ed	2,000	6,508	1		NFP	Healthcare Center
63	Losquadro Ice Company	Brooklyn	Kings	Con Ed	330	34		1	Small	Ice Manufacturer
64	Maimonides Medical Center	Brooklyn	Kings	Con Ed	1,350	5,244		1	NFP	Medical Center
65	Manhattan School of Music	New York	New York	Con Ed	200	343	1		NFP	International conservatory of music , grants musical art degrees
66	Marymount College	Tarrytown	Westchester	Con Ed	400	50	1		NFP	Independent liberal arts college
67	Memorial Sloan-Kettering Cancer Cen	New York	New York	Con Ed	5,000	9,840	1		NFP	Medical Center
68	Milazzo Wholesale Meats	Brooklyn	Kings	Con Ed	50	17		1	Small	Distributor of wholesale meats
69	Montefiore Medical Center	Bronx	Bronx	Con Ed	2,850	8,773		1	NFP	Medical Center
70	Mount Sinai Medical Center	New York	New York	Con Ed	2,000	10,327	1		NFP	Medical Center
71	Museum of Art & Design	New York	New York	Con Ed	70	44		1	NFP	Museum

New York Power Authority **Exhibit A**

Power for Jobs - Extended Benefits **June 30, 2009**

List of Current Customers As of June 2009

Line	Company	City	County	IOU	Current Allocation KW	Jobs	Benefit Rebate	Benefit Power	Type	Service
72	National Academy of Design	New York	New York	Con Ed	80	23		1	NFP	Museums & art galleries
73	New Museum of Contemporary Art	New York	New York	Con Ed	50	88	1		NFP	Art Center
74	New York Blood Center	New York	New York	Con Ed	500	291		1	NFP	Transfusion medicine research, special blood donor services
75	New York College of Podiatric Medic	New York	New York	Con Ed	300	170		1	NFP	Provides services in podiatric & other medical disciplines
76	New York Presbyterian Hospital	New York	New York	Con Ed	5,000	8,423	1		NFP	Medical care
77	New York University	New York	New York	Con Ed	1,700	9,534	1		NFP	Institution of Higher Education
78	Norampac New York City, Inc	Maspeth	Queens	Con Ed	600	204	1		Large	Manufacturers of corrugated paper packaging and displays
79	North General Hospital	New York	New York	Con Ed	400	1,120	1		NFP	Hospital
80	NYU Medical Center	New York	New York	Con Ed	4,000	11,364	1		NFP	Medical Center
81	Orazio & Sons Meat, Co.	Brooklyn	Kings	Con Ed	30	5		1	Small	Wholesale meat plant
82	Pace University	Briarcliff Manor	Westchester	Con Ed	800	2,492		1	NFP	Institution of Higher Education
83	Pepsi Cola Bottling Company	College Point	Queens	Con Ed	2,200	1,003	1		Large	Manufacturer & distributes of soft drinks
84	Phelps Memorial Hospital Center	Sleepy Hollow	Westchester	Con Ed	450	1,041		1	NFP	Health care
85	Pierpont Morgan Library	New York	New York	Con Ed	170	143		1	NFP	Museums & art galleries
86	Ruby Freeman, Inc.	Brooklyn	Kings	Con Ed	20	5		1	Small	Produced is stored, cut, smoked , packaged and distributed
87	S. R. Guggenheim Museum	New York	New York	Con Ed	475	418	1		NFP	Art Museum
88	San-Mar Laboratories Inc.	Elmsford	Westchester	Con Ed	250	289		1	Small	Pharmaceutical & cosmetics
89	South Street Seaport Museum	New York	New York	Con Ed	95	42	1		NFP	Museum of historic ships, maritime art and artifacts
90	Stella D'Oro Biscuit Co., Inc.	Bronx	Bronx	Con Ed	250	151		1	Small	Baked goods
91	Streamline Plastics Co., Inc.	Bronx	Bronx	Con Ed	140	65	1		Small	Miscellaneous plastics products
92	Symphony Space, Inc.	New York	New York	Con Ed	65	55		1	NFP	Performing Arts Theatre
93	TanaSeybert, LLC	New York	New York	Con Ed	400	294	1		Large	Printing trade services
94	The 122 Community Center	New York	New York	Con Ed	10	28		1	NFP	Community Services
95	The Brooklyn Historical Society	Brooklyn	Kings	Con Ed	30	18	1		NFP	Community Services
96	The Educational Alliance	New York	New York	Con Ed	230	393		1	NFP	Educational and Cultural Organization
97	The Harlem School of the Arts, Inc.	New York	New York	Con Ed	50	150	1		NFP	Education
98	The Jewish Museum	New York	New York	Con Ed	200	158		1	NFP	Museum
99	The Joyce Theater Foundation, Inc.	New York	New York	Con Ed	150	52	1		NFP	Dance Performance
100	The Moving Image, Inc. - dba Film Forum	New York	New York	Con Ed	35	45		1	NFP	Theater Operations - screenings independent films
101	The Museum of Modern Art	New York	New York	Con Ed	1,000	766	1		NFP	Museum
102	The Museum of Television & Radio	New York	New York	Con Ed	200	87		1	NFP	Museum
103	The Writers Room	New York	New York	Con Ed	15	3		1	NFP	Organization dedicated to providing writers work space
104	Theater for the New City, Inc.	New York	New York	Con Ed	30	90		1	NFP	Social Services - Theater
105	Thirteen WNET (Educational Broadcasting Corp)	New York	New York	Con Ed	750	539	1		NFP	Broadcasting
106	Town Hall Foundation	New York	New York	Con Ed	70	24		1	NFP	Provides educational programs
107	UJA Federation of New York	New York	New York	Con Ed	550	452		1	NFP	Charitable and social services
108	Verizon	New York	New York	Con Ed	5,000	2,061	1		Large	Local and wireless phone service provider
109	Westchester Chapter NYS ARC, Inc.	White Plains	Westchester	Con Ed	375	594		1	NFP	Provides support services to mentally retarded and disabled citizens
110	Whitney Museum of American Art	New York	New York	Con Ed	400	200		1	NFP	Museum

New York Power Authority **Exhibit A**

Power for Jobs - Extended Benefits **June 30, 2009**

List of Current Customers As of June 2009

Line	Company	City	County	IOU	Current Allocation KW	Current Allocation Jobs	Benefit Rebate	Benefit Power	Type	Service
111	Women's Housing and Economic Dev Corp	Bronx	Bronx	Con Ed	200	200		1	NFP	Administration of economic programs for low income women
112	Yeshiva University	New York	New York	Con Ed	3,000	4,159		1	NFP	Educational institution
113	Zeluck, Inc.	Brooklyn	Kings	Con Ed	200	112		1	Small	Manufacturer of custom architectural windows and doors
	Total Con Ed			**112**	**84,130**	**131,481**				
114	AEC Johnson & Hoffman	Carle Place	Nassau	LIPA	225	87		1	Small	
115	Aerospace Avionics	Bohemia	Suffolk	LIPA	650	247		1	Large	
116	Alken Industries Inc.	Ronkonkoma	Suffolk	LIPA	125	60		1	Small	Manufactures close tolerance aircraft fittings, parts and assemblies
117	American Technical Ceramics	Huntington Station	Suffolk	LIPA	200	386	1		Small	Ceramic Capacitor
118	Ametek Hughes-Treitler	Garden City	Nassau	LIPA	500	164	1		Large	Manufacturer of heat exchangers
119	Antares ITI	Hauppauge	Suffolk	LIPA	500	471		1	Large	Manufacturer of precision motion equipment
120	Arkwin Industries	Westbury	Nassau	LIPA	700	312		1	Large	Manufactures of precision hydraulic & fuel system components
121	B.H. Aircraft Company, Inc	Ronkonkoma	Suffolk	LIPA	400	79	1		Large	Produces noise suppression hardware for jet engines
122	Broadridge Financial Solutions, Inc	Edgewood	Suffolk	LIPA	1,000	1,100		1	Large	Processing and mailing for the financial industry
123	Bruce's Bakery	Great Neck	Nassau	LIPA	75	56		1	Small	Manufacturer and distributor of baked goods
124	Commercial Envelope Manufacturing Corp.	Deer Park	Suffolk	LIPA	620	154	1		Large	Manufacturer of envelopes
125	Crescent Duck Farm, Inc.	Aquebogue	Suffolk	LIPA	350	70		1	Small	Grows ducks on Long Island to supply wholesalers & restaurants
126	Data Device Corporation	Bohemia	Suffolk	LIPA	1,300	400		1	Large	Assembly of printed circuit boards
127	Dayton T. Brown	Bohemia	Suffolk	LIPA	600	187		1	Large	Test systems for industrial , commercial and military requirements
128	Deutsch Relays, Inc.	Hauppauge	Suffolk	LIPA	300	98		1	Small	High reliability relay manufacturer
129	Enzo Clinical Labs, Inc.	Farmingdale	Suffolk	LIPA	200	357	1		Small	Medical Lab
130	Flag Poles, Inc.	East Setauket	Suffolk	LIPA	200	91		1	Small	Manufactures fabricated metal products
131	Good Samaritan Hospital	West Islip	Suffolk	LIPA	800	3,137	1		NFP	Healthcare Center
132	Gurwin Jewish Geriatric Center	Commack	Suffolk	LIPA	500	668		1	NFP	Nursing home
133	ITT Corporation	North Amityville	Suffolk	LIPA	2,700	604		1	Large	
134	J.P. Morgan/Chase	Lake Success	Nassau	LIPA	1,295	694	1		Large	Banking
135	J.P. Morgan/Chase	Uniondale	Nassau	LIPA	500	988	1		Large	Banking
136	John Hassall, Inc.	Westbury	Nassau	LIPA	450	101	1		Large	Manufacturer of high technology aerospace specialty metal fasteners
137	John T. Mather Memorial Hospital	Port Jefferson	Suffolk	LIPA	400	1,500	1		NFP	Community Hospital
138	Kleer-Fax Inc.	Amityville	Suffolk	LIPA	200	130	1		Small	Mfr. paper and plastic products for the office
139	Kozy Shack, Inc.	Hicksville	Nassau	LIPA	1,000	270	1		Large	Mfr. of puddings & snacks
140	Long Beach Medical Center	Long Beach	Nassau	LIPA	600	909	1		NFP	Community Hospital
141	Madelaine Chocolates	Rockaway Beach	Queens	LIPA	575	415	1		Large	Manufactures chocolate
142	Maloya Laser Inc.	Commack	Suffolk	LIPA	75	27	1		Small	Metal cutting and shaping
143	North Shore Health System	Manhasset	Nassau	LIPA	2,600	6,513	1		NFP	Medical Services
144	Oldcastle Glass	Hauppauge	Suffolk	LIPA	250	131		1	Small	Mfr of insulated & architectural glass products
145	Peconic Bay Medical Center	Riverhead	Suffolk	LIPA	200	653	1		NFP	Hospital
146	Sag Harbor Industries	Sag Harbor	Suffolk	LIPA	50	43		1	Small	Electronics: Custom coils, transformers, circuit boards
147	Silver Lake Cookie Co.	Islip	Suffolk	LIPA	400	195	1		Large	Manufacturer of specialty cookies

New York Power Authority **Exhibit A**

Power for Jobs - Extended Benefits **June 30, 2009**

List of Current Customers As of June 2009

Line	Company	City	County	IOU	Current Allocation KW	Jobs	Benefit Rebate	Power	Type	Service
148	Sleepy's (Warehouse)	Bethpage	Nassau	LIPA	300	592		1	Small	General Warehousing.
149	Southern Container Corp.	Deer Park	Suffolk	LIPA	500	222	1		Large	Makes packaging cartons of various sizes and shapes
150	Standard Microsystems Corp.	Hauppauge	Suffolk	LIPA	1,050	449	1		Large	Maker and supplier of computer circuits and other components
151	The Lawrence Ripak Company, Inc.	West Babylon	Suffolk	LIPA	400	107		1	Large	Nondestructive testing & metal finishing services
152	Ultimate Precision Metal	Farmingdale	Suffolk	LIPA	250	116	1		Small	Manufactures controlled enclosures
	Total LIPA			**39**	**23,040**	**22,783**				
153	3M	Tonawanda	Erie	N. Grid	2,000	367	1		Large	Cellulose sponges
154	Accumed Technologies, Inc.	Buffalo	Erie	N. Grid	100	189		1	Small	Supplier of contract sewing & ultrasonic welding textile
155	Airsep Corporation	Buffalo	Erie	N. Grid	650	368		1	Large	Manufactures medical equipment
156	Albany Institute of History & Art	Albany	Albany	N. Grid	150	26		1	NFP	Museum
157	Albany International Corp.	Albany	Albany	N. Grid	750	200	1		Large	Production of paper machine clothing and engineered woven textile
158	Albany International Corp.	Homer	Cortland	N. Grid	1,000	101	1		Large	Production of paper machine clothing and engineered woven textile
159	Albany Molecular Research, Inc.	Albany	Albany	N. Grid	600	404	1		Large	Provider of customized pharmaceutical & organic research
160	Alliance Innovative Manufacturing, Inc	Lackawanna	Erie	N. Grid	50	37		1	Small	Machine & tool shop
161	Allied Frozen Storage, Inc.	Buffalo	Erie	N. Grid	400	78		1	Large	Frozen Food Storage Facility
162	AMF Bowling Inc.	Lowville	Lewis	N. Grid	500	98		1	Large	Manufacturer of bowling pins and lanes
163	AMRI Rensselaer, Inc	Rensselaer	Rensselaer	N. Grid	1,000	253	1		Large	Manufacturing of active pharmaceutical ingredients
164	Amsterdam Printing & Litho	Amsterdam	Montgomery	N. Grid	430	683		1	Large	Personalized imprinting technology
165	Anaren Microwave, Inc.	E. Syracuse	Onondaga	N. Grid	750	446	1		Large	Designs, manufactures microwave signal distribution networks
166	Anoplate Corp.	Syracuse	Onondaga	N. Grid	450	209	1		Large	Metal Finishing
167	Applied Energy Solutions	Caledonia	Livingston	N. Grid	300	62	1		Small	Electronics
168	Ascension Industries	North Tonawanda	Niagara	N. Grid	230	120		1	Small	Metal Products
169	Associated Brands, Inc	Medina	Orleans	N. Grid	1,000	303	1		Large	Manufacturers of dry food products
170	AT&T	Syracuse	Onondaga	N. Grid	350	250		1	Small	Telecommunications
171	Atofina Chemicals, Inc.	Geneseo	Livingston	N. Grid	850	95	1		Large	Chemical manufacturing plant
172	Bank of New York	Oriskany	Oneida	N. Grid	500	801	1		Large	Banking Services
173	Bartell Machinery Systems	Rome	Oneida	N. Grid	170	127		1	Small	Machined metal parts, assemblies and machinery.
174	Bassett Hospital of Schoharie Count	Cobleskill	Schoharie	N. Grid	100	224		1	NFP	Health Care Services
175	Batavia Industrial Center	Batavia	Genesee	N. Grid	550	270		1	Large	Industrial Center serving as business incubator complex
176	Beaver Falls Sealing Products	Croghan	Lewis	N. Grid	250	36		1	Small	Manufacturers packaging and presentation products
177	Beechnut Nutrition Corp.	Canajoharie	Montgomery	N. Grid	1,500	377	1		Large	Manufactures baby food products
178	Bestway Enterprises	Cortland	Cortland	N. Grid	75	71	1		Small	Lumber Products
179	Birds Eye Foods, Inc.	Fulton	Oswego	N. Grid	1,500	294	1		Large	Food processing and marketing company
180	Blasch Precision Ceramics	Albany	Albany	N. Grid	400	74		1	Large	Advanced ceramic & refractory industry
181	BOC Edwards Calumatic	Tonawanda	Erie	N. Grid	270	133		1	Small	Semiconductors and related devices
182	Borg Warner Morse Tech Corp	Cortland	Cortland	N. Grid	1,500	209	1		Large	Manufacturer of Auto Components

New York Power Authority **Exhibit A**

Power for Jobs - Extended Benefits **June 30, 2009**

List of Current Customers As of June 2009

Line	Company	City	County	IOU	Current Allocation KW	Jobs	Benefit Rebate	Benefit Power	Type	Service
183	Bristol-Myers Squibb Company	East Syracuse	Onondaga	N. Grid	5,000	946	1		Large	Manufacturer of bulk antibiotics
184	Brodock Press, Inc.	Utica	Oneida	N. Grid	400	129		1	Large	Commercial Printing
185	Brooks Memorial Hospital	Dunkirk	Chautauqua	N. Grid	400	394		1	NFP	Comprehensive healthcare facility
186	Buflovak, LLC	Buffalo	Erie	N. Grid	275	42		1	Small	Mfr of process equipment for food/ chemical/ pharma industries
187	Burrows Paper Corp.	Little Falls	Herkimer	N. Grid	1,000	178	1		Large	Produces light weight specialty paper
188	Byrne Dairy, Inc.	Syracuse	Onondaga	N. Grid	300	448		1	Small	Dairy products & Ice Cream
189	C. R. Bard, Inc.	Queensbury	Warren	N. Grid	800	912	1		Large	Manufacturer of Medical devices
190	Canterbury Printing Co. of Rome, In	Rome	Oneida	N. Grid	275	51		1	Small	Publication & commercial printing
191	Canton Potsdam Hospital	Potsdam	St. Lawrence	N. Grid	150	571		1	NFP	Hospital Services/ Healthcare
192	Carville National Leather Corp.	Johnstown	Fulton	N. Grid	200	33	1		Small	
193	Cascades Tissue Group	Waterford	Saratoga	N. Grid	530	204	1		Large	Large Industrial towel manufacturer
194	Chapin Manufacturing	Batavia	Genesee	N. Grid	500	183		1	Large	Manufacturer of hand held compressed air sprayers
195	Chapin Watermatics Inc.	Watertown	Jefferson	N. Grid	325	78		1	Small	Maker of drip irrigation hoses
196	Charles T. Sitrin Health Care Cente	New Hartford	Oneida	N. Grid	300	376		1	NFP	Health Care Center
197	Clarkson University	Potsdam	St. Lawrence	N. Grid	1,500	664	1		NFP	Higher education
198	Climax Manufacturing Co.	Carthage	Jefferson	N. Grid	1,500	69	1		Large	Paperboard mills
199	Clinton's Ditch Cooperative Company	Cicero	Onondaga	N. Grid	800	188		1	Large	Soft Drink Producer
200	Codino's Italian Foods, Inc.	Scotia	Schenectady	N. Grid	150	30		1	Small	Food Manufacturing Company
201	College of St. Rose	Albany	Albany	N. Grid	450	818		1	NFP	Post Secondary education facility
202	Consumers Beverages, Inc.	Buffalo	Erie	N. Grid	220	70		1	Small	Beverage Producer
203	Cooper Hand Tools	Cortland	Cortland	N. Grid	1,330	118	1		Large	Metal machining and casting for the electrical power distribution industry
204	Cooper Industries (Cooper Crouse-Hinds)	Syracuse	Onondaga	N. Grid	2,350	678	1		Large	Manufacturer of electrical equipment for use in hazardous conditions
205	Corning, Inc. (Canton)	Canton	St. Lawrence	N. Grid	1,500	238	1		Large	Manufacturer of optical fiber, glass and ceramic products
206	Cortland Line Co., Inc.	Cortland	Cortland	N. Grid	450	83	1		Large	Manufacturers of quality flylines, monofilament and braided fishing lines
207	Coyne Textile Services	Syracuse	Onondaga	N. Grid	250	134		1	Small	Laundry, cleaning, & garment services
208	Crowley Foods	LaFargeville	Jefferson	N. Grid	1,000	172		1	Large	Leading East Coast dairy manufacturer
209	Crucible Specialty Metals	Syracuse	Onondaga	N. Grid	4,000	682	1		Large	Specialty steel manufacturer.
210	CWM Chemical Services, LLC	Model City	Niagara	N. Grid	330	65	1		Small	Treatment, storage & disposal of Industrial Waste
211	CWR Manufacturing, Co.	Syracuse	Onondaga	N. Grid	130	44		1	Small	Manufacturers of high quality cold formed metal fasteners
212	DaimlerChrysler Commercial Buses	Oriskany	Oneida	N. Grid	300	568		1	Small	The assembly of state-of- the-art transit buses
213	Dal Tile Corporation	Olean	Cattaraugus	N. Grid	1,000	218	1		Large	Ceramic tile
214	DEC Properties	Alexandria Bay	Jefferson	N. Grid	110	85		1	Small	Extensive restaurant entertainment & conference facilities
215	Deck Bros., Inc.	Buffalo	Erie	N. Grid	140	32		1	Small	Machine Shop
216	Delphi Automotive Systems	Amherst	Erie	N. Grid	150	135	1		Small	Automotive components
217	Di Highway Sign & Structure Corp.	New York Mills	Oneida	N. Grid	70	37		1	Small	Maker of bridge and guide railing and sign structures.
218	Dielectric Laboratories, Inc.	Cazenovia	Madison	N. Grid	400	193	1		Large	Ceramic capacitors and ceramic packaging
219	Diemolding Corporation	Canastota	Madison	N. Grid	184	201	1		Small	Thermoset plastic forming

New York Power Authority **Exhibit A**

Power for Jobs - Extended Benefits **June 30, 2009**

List of Current Customers As of June 2009

Line	Company	City	County	IOU	Current Allocation KW	Jobs	Benefit Rebate	Benefit Power	Type	Service
220	Distributor Data Forms, Inc.	Cortland	Cortland	N. Grid	50	13	1		Small	Manufacturer of custom forms & commercial printer
221	Divine Brothers Company	Utica	Oneida	N. Grid	250	108		1	Small	Finishing products, industrial casters
222	Dodge-Graphic Press Inc	Utica	Oneida	N. Grid	300	74	1		Small	Printing Company
223	Dot Foods, Inc	Liverpool	Onondaga	N. Grid	350	242		1	Small	Frozen food distrib.
224	Dupli Envelopes & Graphics Corp.	Syracuse	Onondaga	N. Grid	200	123	1		Small	Quality envelope printing
225	Eastern Castings Corp.	Cambridge	Washington	N. Grid	250	31		1	Small	Aluminum foundry
226	Eastman Machine Company	Buffalo	Erie	N. Grid	300	98	1		Small	Manufacturer of Industrial Textile cutting and spreading equipment
227	Edward John Noble Hospital	Gouverneur	St. Lawrence	N. Grid	100	237	1		NFP	Healthcare center
228	EMED Company, Inc.	Buffalo	Erie	N. Grid	250	176		1	Small	Sign and safety supplier
229	Empire Coating, Inc.	Albion	Orleans	N. Grid	150	88		1	Small	Surface coater for many manufacturers
230	ESCO Turbine Technologies - Syracuse	Chittenango	Madison	N. Grid	1,250	395		1	Large	Foundry - investment castings
231	Ethox Corp.	Buffalo	Erie	N. Grid	350	106		1	Small	Medical Lab
232	Ethox Corp.	Rush	Monroe	N. Grid	175	59		1	Small	Medical Laboratories
233	Faster Form Corp.	Frankfort	Herkimer	N. Grid	40	50	1		Small	Makes accessories for floral arrangements
234	Faxton Hospital	Utica	Oneida	N. Grid	350	473		1	NFP	Hospital
235	Feldmeier Equipment Inc.	Little Falls	Herkimer	N. Grid	450	155		1	Large	Manufacturers of stainless steel tanks & pressure vessels
236	Fiber Glass Industries Inc.	Amsterdam	Montgomery	N. Grid	700	148	1		Large	Produces high strength woven fabrics
237	Finch Pruyn & Company Inc.	Glen Falls	Warren	N. Grid	5,000	834	1		Large	Produces uncoated paper
238	Fitzpatrick & Weller, Inc.	Ellicottville	Cattaraugus	N. Grid	1,000	86	1		Large	Lumber & wood components
239	Ford Motor Company	Buffalo	Erie	N. Grid	5,000	1,140	1		Large	Automotive components stamping
240	G L & V Sandy Hill Inc.	Hudson Falls	Washington	N. Grid	750	99	1		Large	Full service operational foundry & machine shop
241	G.C. Hanford Mfg. Co.	Syracuse	Onondaga	N. Grid	750	210		1	Large	Pharmaceuticals for human and veterinary use
242	Gehring Tricot Corp.	Dolgeville	Herkimer	N. Grid	450	99		1	Large	Dyeing & finishing of knitted fabrics
243	General Mills	Buffalo	Erie	N. Grid	1,000	110	1		Large	Manufacturer of flour, millfeed products
244	Gernatt Asphalt Products, Inc.	Collins	Erie	N. Grid	800	97		1	Large	Asphalt products
245	Ginsberg's Institutional Foods, Inc	Hudson	Columbia	N. Grid	375	192		1	Small	Food products for schools & healthcare industry
246	Great Lakes Cheese of New York Inc.	Adams	Jefferson	N. Grid	600	82		1	Large	Produces cheese, natural and processed
247	GreenFiber Albany, Inc.	Hagaman	Montgomery	N. Grid	300	35		1	Small	Manufacturer of cellulose insulation and fire retardant.
248	H. P. Hood, Inc.	Oneida	Madison	N. Grid	1,000	200		1	Large	Fluid Milk Products
249	H.H. Dobbins Inc.	Lyndonville	Orleans	N. Grid	250	63		1	Small	Storage of Fresh produce
250	Hamilton Printing Company	Castleton-on-Hudson	Rensselaer	N. Grid	450	130		1	Large	Specialized in labels for food & beverage industry
251	Hand Held Products dba HHP	Skaneatels Falls	Onondaga	N. Grid	750	675		1	Large	Prodcues hand held scanners and products
252	Harmac Medical Products, Inc.	Buffalo	Erie	N. Grid	385	209		1	Small	Designs & manufactures medical products
253	Hebeler Corporation	Tonawanda	Erie	N. Grid	300	146		1	Small	Large scale process equipment for various industries
254	Helmont Mills	St. Johnsville	Montgomery	N. Grid	250	95		1	Small	Knitted Fabric Production
255	HFW Industries, Inc.	Buffalo	Erie	N. Grid	250	64		1	Small	Manufacturer of industrial equipment
256	Higbee Inc.	Syracuse	Onondaga	N. Grid	100	47	1		Small	Mfr. of gaskets, and sealing products utilized in die-cutting processes

New York Power Authority **Exhibit A**

Power for Jobs - Extended Benefits **June 30, 2009**

List of Current Customers As of June 2009

Line	Company	City	County	IOU	Current Allocation KW	Jobs	Benefit Rebate	Benefit Power	Type	Service
257	HMI Metal Powders	Clayville	Oneida	N. Grid	500	111	1		Large	Manufactures specialty powders for aerospace industry.
258	Indium Corporation of America	Utica	Oneida	N. Grid	600	320		1	Large	Design and manufacture of indium metal for industrial applications
259	Inficon Inc.	E. Syracuse	Onondaga	N. Grid	400	225		1	Large	Produces thin film controllers & residual gas analyzers
260	Interface Solutions, Inc.	Fulton	Oswego	N. Grid	940	139	1		Large	Makes backing for vinyl flooring and fiber gasket for industries
261	International Fiber Corporation	North Tonawanda	Niagara	N. Grid	350	104	1		Small	Produces powdered cellulose and fibers
262	Intertek Testing Services	Cortland	Cortland	N. Grid	600	311	1		Large	Independent test lab
263	IPAC, Inc.	Amherst	Erie	N. Grid	200	45		1	Small	Manufactures and sells compressed air products
264	Isadore A. Rapasadi & Sons, Inc.	Canastota	Madison	N. Grid	75	51		1	Small	Agricultural buyer, re-packer & shipper
265	Jamestown Advanced Products, Inc.	Jamestown	Chautauqua	N. Grid	225	80		1	Small	Metal fabricating assembly & distribution
266	Jaquith Industries	Syracuse	Onondaga	N. Grid	150	55		1	Small	Steel Fabrication
267	Kaz Incorporated	Hudson	Columbia	N. Grid	400	402		1	Large	Maker of consumer healthcare appliances
268	Keymark Corporation	Fonda	Montgomery	N. Grid	800	549		1	Large	Aluminum extruded products
269	Keystone Corporation	Buffalo	Erie	N. Grid	300	41	1		Small	Fabricated metal products
270	Kilian Manufacturing Corporation	Syracuse	Onondaga	N. Grid	400	144	1		Large	Mfr. ball bearings
271	Kintz Plastics, Inc.	Howes Cave	Schoharie	N. Grid	275	88		1	Small	Manufacturer of Thermoformed/ machined plastic parts
272	Kreher's Poultry Farms	Clarence	Erie	N. Grid	350	75		1	Small	Egg farm
273	Kris-Tech Wire Company	Rome	Oneida	N. Grid	200	33		1	Small	Produces wire and cable products
274	LB Furniture Industries, LLC	Hudson	Columbia	N. Grid	370	119	1		Small	Mfr of restaurant seating
275	Lehigh Northeast Cement Company	Glens Falls	Warren	N. Grid	1,000	155		1	Large	Cement Manufacturer
276	Lewis County General Hospital	Lowville	Lewis	N. Grid	200	418	1		NFP	Medical Center
277	Little Falls Hospital	Little Falls	Herkimer	N. Grid	200	246		1	NFP	Medical Center
278	Luvata Buffalo, Inc	Buffalo	Erie	N. Grid	5,000	617	1		Large	Metal manufacturing
279	Lydall Manning	Green Island	Albany	N. Grid	1,100	114	1		Large	Specialty Paper Manufacturer
280	Manth-Brownell, Inc.	Kirkville	Madison	N. Grid	700	135	1		Large	Produces precision-turned machined parts for a varity of industries
281	Marlette National Corporation	Buffalo	Erie	N. Grid	180	38		1	Small	Electroplating and metal finishing
282	Marquardt Switches, Inc.	Cazenovia	Madison	N. Grid	200	318		1	Small	Electrical switches
283	Matt Brewing Company	Utica	Oneida	N. Grid	600	124	1		Large	Brewery
284	Mayer Bros. Apple Products, Inc.	West Seneca	Erie	N. Grid	300	93	1		Small	Juice pressing and bottling
285	McLane Eastern	Baldwinsville	Onondaga	N. Grid	800	801	1		Large	Wholesale grocery distributor of food & nonfood products
286	Meloon Foundries, Inc.	Syracuse	Onondaga	N. Grid	275	52	1		Small	Non-Ferrous Sand Casting Foundry
287	Met Weld International LLC	Altamont	Albany	N. Grid	100	60	1		Small	Industrial equipment
288	Metalico, Inc.	Buffalo	Erie	N. Grid	75	72		1	Small	Scrap iron & metal processing
289	Mid State Raceway, Inc	Vernon	Oneida	N. Grid	200	190		1	Small	Live harness racing, simulcasting of harness and thoroughbred races
290	Midstate Spring, Inc.	Syracuse	Onondaga	N. Grid	100	36		1	Small	Makes precision springs, wire forms and four slide parts.
291	Mill Services, Inc.	Cobleskill	Schoharie	N. Grid	300	59		1	Small	Low grade lumber
292	Mohawk LTD.	Chadwicks	Oneida	N. Grid	100	59		1	Small	Sales and service of electrical equipment
293	Mohawk Paper Mills	Cohoes	Albany	N. Grid	2,250	415	1		Large	Manufacturer of text and cover papers

New York Power Authority **Exhibit A**

Power for Jobs - Extended Benefits **June 30, 2009**

List of Current Customers As of June 2009

Line	Company	City	County	IOU	Current Allocation KW	Jobs	Benefit Rebate	Benefit Power	Type	Service
294	Mount Saint Mary's Hospital	Lewiston	Niagara	N. Grid	350	679		1	NFP	Medical Center
295	NAMIC/VA Inc	Glens Falls	Warren	N. Grid	650	784		1	Large	Designs & manufactures a broad range of medical products
296	Nathan Littauer Hospital & Nursing Home	Gloversville	Fulton	N. Grid	400	698	1		NFP	Hospital and Nursing Home
297	Natrium Products, Inc.	Cortland	Cortland	N. Grid	90	21	1		Small	Manufacturer of sodium bicarbonate
298	Niagara Falls Medical Center	Niagara Falls	Niagara	N. Grid	500	1,049		1	NFP	Medical Center
299	Niagara Gear Corp.	Kenmore	Erie	N. Grid	85	36		1	Small	Manufacturers specializing in precision ground spur & helical gears
300	Norlite Corp.	Cohoes	Albany	N. Grid	500	69	1		Large	Manufacturer of Brass Fittings
301	North Hudson Woodcraft Corp.	Dolgeville	Herkimer	N. Grid	230	62		1	Small	Manufacturer of wood plank parts, casket, parts, and kiln dried lumber
302	North Lawrence Dairy, Inc.	North Lawrence	St. Lawrence	N. Grid	1,000	178		1	Large	Food processor
303	Oak-Mitsui, Inc.	Hoosick Falls	Rensselaer	N. Grid	200	68		1	Small	Copper foil-electronics
304	Oberdorfer Industries	Syracuse	Onondaga	N. Grid	500	111		1	Large	Manufacturer of industrial and commercial pumps
305	Oehler Industries	Buffalo	Erie	N. Grid	80	16		1	Small	Steel fabrications
306	Oldcastle Precast Inc	South Bethlehem	Albany	N. Grid	160	67	1		Small	Precast products and installation
307	Oneida Container Co., Inc.	Vernon	Oneida	N. Grid	150	86		1	Small	Manufacturers corrugated packaging and displays
308	Oneida Healthcare Center	Oneida	Madison	N. Grid	300	736		1	NFP	General Hospital
309	Oneida Molded Plastics	Onieda	Madison	N. Grid	500	114	1		Large	Injected Molded Plastic Products
310	Onondaga Beverage Corp.	Liverpool	Onondaga	N. Grid	120	122		1	Small	Warehousing & distribution of beverages
311	Ontario Knife Company	Franklinville	Cattaraugus	N. Grid	250	88		1	Small	Cutlery products
312	Osmose Realty Corp	Buffalo	Erie	N. Grid	300	185		1	Small	Agricultural chemicals
313	Par Foam Products, Inc.	Buffalo	Erie	N. Grid	150	62		1	Small	Plastics, sponge, and rubber products manufacturer
314	Paul Bunyan Products, Inc.	Preble	Cortland	N. Grid	150	24	1		Small	Manufacturer of hardwood lumber components and pallets
315	PCI Paper Conversions, Inc.	Syracuse	Onondaga	N. Grid	400	222	1		Large	Printed materials & adhesive manufacturing
316	Peak Resorts Inc., dba Greek Peak	Cortland	Cortland	N. Grid	2,200	169		1	Large	Ski resort
317	Pearl Leather Finishers, Inc.	Johnstown	Fulton	N. Grid	280	105		1	Small	Leather Finishers
318	Pelco Electronic Corp	Cazenovia	Madison	N. Grid	100	47	1		Small	Electronic components
319	Pivot Punch Corporation	Lockport	Niagara	N. Grid	300	82		1	Small	Machine tools, metal forming types
320	Power Pallet	Schenectady	Schenectady	N. Grid	250	112		1	Small	Produces wood pallets & skids
321	Precious Plate, Inc.	Niagara Falls	Niagara	N. Grid	235	127		1	Small	Electroplating services
322	Precision Systems Mfg., Inc.	Liverpool	Onondaga	N. Grid	180	60	1		Small	Machining and sheet metal manufacturing
323	Producto Machine Company - Ring & Pierce	Jamestown	Chautauqua	N. Grid	350	92		1	Small	Machined parts & custom components
324	Quad Graphics, Inc.	Saratoga Springs	Saratoga	N. Grid	4,000	1,005	1		Large	Printing services for magazines, catalogs, coupons and newspapers
325	Quandt's Food Service Distributors	Amsterdam	Montgomery	N. Grid	180	129		1	Small	Refrigeration for perishable and frozen food products.
326	Queensboro Farm Products, Inc.	Canastota	Madison	N. Grid	500	80	1		Large	Milk manufacturing and processing plant
327	Revere Copper Products	Rome	Oneida	N. Grid	2,000	412	1		Large	Copper & brass products
328	Rich Plan Food Service, Inc.	Clark Mills	Oneida	N. Grid	25	4	1		Small	Meat processing & frozen food storage
329	Richardson Brands Company	Canajoharie	Montgomery	N. Grid	600	135		1	Large	Makes candy and other confectionery products
330	Robison & Smith, Inc.	Gloversville	Fulton	N. Grid	384	205	1		Small	Linen & Laundry Supply

New York Power Authority **Exhibit A**

Power for Jobs - Extended Benefits **June 30, 2009**

List of Current Customers As of June 2009

Line	Company	City	County	IOU	Current Allocation KW	Jobs	Benefit Rebate	Benefit Power	Type	Service
331	Rome Specialty Company, Inc.	Rome	Oneida	N. Grid	135	17	1		Small	Manufacturer of fishing tackle
332	RSA Solutions Inc.	Amherst	Erie	N. Grid	45	244	1		Small	Third party business service provider of vehicle remarketing
333	SABIC Innovative Plastics	Selkirk	Albany	N. Grid	5,000	490	1		Large	Plastic materials & resins
334	Sabin Metal Corporation	Scottsville	Monroe	N. Grid	825	130		1	Large	Large Precious metal refiner
335	Saint-Gobain	Hoosick Falls	Rensselaer	N. Grid	225	173		1	Small	Manufacturers pressure sensitive adhesive tapes
336	Samaritan Medical Center	Watertown	Jefferson	N. Grid	600	1,197		1	NFP	Health Services
337	Schenectady International, Inc.	Schenectady	Schenectady	N. Grid	1,500	175	1		Large	Produces & sells electrical insulating varnishes
338	Schilling Forge, Inc.	Syracuse	Onondaga	N. Grid	225	33	1		Small	Forging Plant
339	Schneider Packing Equipment	Brewerton	Onondaga	N. Grid	200	143	1		Small	Makes packaging machinery for all types of consumer products
340	School House Companies	Gloversville	Fulton	N. Grid	200	78		1	Small	Trucking & transportation
341	Sentry Metal Blast, Inc. (dba Sentry Metal Services)	Niagara Falls	Niagara	N. Grid	150	25		1	Small	Metal blasting and industrial coating
342	Snyder Industries, Inc.	N. Tonawanda	Niagara	N. Grid	350	100	1		Small	Machinery
343	Sorrento Lactalis, Inc.	Buffalo	Erie	N. Grid	1,500	510	1		Large	Produces cheese as well as whey products
344	Specialized Packaging Radisson, Inc	Baldwinsville	Onondaga	N. Grid	180	192	1		Small	Produces printed folding cartons for consumer products
345	Spray Nine Corporation	Johnstown	Fulton	N. Grid	300	106	1		Small	Specialty cleaning chemical
346	St. Joseph's Hospital Health Center	Syracuse	Onondaga	N. Grid	1,000	3,023	1		NFP	Healthcare Center
347	St. Lawrence University	Canton	St. Lawrence	N. Grid	800	782		1	NFP	Institution of Higher Education
348	St. Lukes-Memorial Hospital Center	New Hartford	Oneida	N. Grid	700	1,355		1	NFP	Healthcare Center
349	Standard Manufacturing Co., Inc.	Troy	Rensselaer	N. Grid	15	32	1		Small	Apparel
350	Stature Electric	Watertown	Jefferson	N. Grid	150	134		1	Small	Manufacturers universal and permanent magnet motors
351	Stone Construction Equipment Inc.	Honeoye	Ontario	N. Grid	300	198	1		Small	Makes a broad range of light construction equipment
352	Suit-Kote Corp.	Cortland	Cortland	N. Grid	1,400	491	1		Large	Asphalt company
353	Syracuse Casting Sales Corp.	Cicero	Onondaga	N. Grid	300	98	1		Small	Produces & sells products for access to subterranean vaults
354	Syracuse Heat Treating Corp	Syracuse	Onondaga	N. Grid	200	18		1	Small	Provides heat treating & brazing services to manufacturers
355	Syracuse Label Co., Inc.	Liverpool	Onondaga	N. Grid	200	88	1		Small	Printing labels for consumer and industrial use
356	Syracuse Plastics, Inc.	Liverpool	Onondaga	N. Grid	400	42	1		Large	Maker of plastic parts and components
357	Syracuse University	Syracuse	Onondaga	N. Grid	2,000	4,575	1		NFP	Institution of Higher Education
358	Taylor Made Products	Gloversville	Fulton	N. Grid	250	202		1	Small	Manufacturer and distributor of marine accessory products
359	The Beeches of Rome, Inc.	Rome	Oneida	N. Grid	300	67		1	Small	Conference Center
360	The Penn Traffic Company	Syracuse	Onondaga	N. Grid	800	257		1	Large	Wholesale food distribution
361	Thermold Corp	Canastota	Madison	N. Grid	130	36	1		Small	Complete thermoplastic molding services
362	TMP Technologies, Inc.	Buffalo	Erie	N. Grid	150	34	1		Small	Maker of foam, rubber, plastic products
363	Tompkins Metal Finishing, Inc.	Batavia	Genesee	N. Grid	350	85		1	Small	Metal Finishing
364	Trans World Entertainment	Albany	Albany	N. Grid	400	512		1	Large	Corporate offices and distribution facilities
365	Turbine Engine Components Technologies	Whitesboro	Oneida	N. Grid	1,200	288	1		Large	Precision forging plant
366	UltrePet, LLC	Albany	Albany	N. Grid	600	62		1	Large	Reclaimer of post consumer soda bottles
367	Ventre Packaging Co., Inc.	Syracuse	Onondaga	N. Grid	74	44		1	Small	Food Processing
368	Vicks Lithograph & Printing	Yorkville	Oneida	N. Grid	750	112	1		Large	Book printer & distribution
369	W. W. Custom Clad, Inc.	Canajoharie	Montgomery	N. Grid	250	54		1	Small	Metal finishing for OEM

New York Power Authority **Exhibit A**

Power for Jobs - Extended Benefits **June 30, 2009**

List of Current Customers As of June 2009

Line	Company	City	County	IOU	Current Allocation KW	Current Allocation Jobs	Benefit Rebate	Benefit Power	Type	Service
370	Washington Mills Tonawanda, Inc	Tonawanda	Erie	N. Grid	375	68		1	Small	Abrasive products
371	Watson Bowman Acme Corp.	Amherst	Erie	N. Grid	150	101	1		Small	Manufactures expansion joint systems for roads bridges
372	Welch Allyn Data Collection Inc.	Skaneateles Falls	Onondaga	N. Grid	2,000	1,301	1		Large	Medical and dental diagnostic equipment manufacturer
	Total National Grid			**220**	**138,562**	**56,968**				
373	A. T. Reynolds & Sons, Inc.	Kiamesha Lake	Sullivan	NYSEG	250	54	1		Small	Spring water and Ice Mfr.
374	Agri-Mark, Inc	Chateaugay	Franklin	NYSEG	500	116	1		Large	Cheese Manufacturer
375	Air-Flo Manufacturing	Prattsburgh	Steuben	NYSEG	130	113	1		Small	Mfr. of ice control equipment and truck bodies
376	Auburn Vacuum Forming Co., Inc.	Auburn	Cayuga	NYSEG	88	17		1	Small	Manufacture theroformed plastic component
377	Audio Sears	Stamford	Delaware	NYSEG	190	81	1		Small	Makes audio equipment
378	BAE-Systems Control	Johnson City	Broome	NYSEG	2,000	1,404		1	Large	Provider of aircraft engine and flight controls
379	Barry Steel Fabrication, Inc.	Lockport	Niagara	NYSEG	50	32	1		Small	Steel fabrication
380	Bison Foods - Div. of Upstate Farms	Buffalo	Erie	NYSEG	500	143	1		Large	Dairy Products
381	Borg Warner Automotive Morse TE(	Ithaca	Tompkins	NYSEG	4,000	1,265	1		Large	Manufacture of automotive components
382	Burt Rigid Box, Inc.	Oneonta	Otsego	NYSEG	300	33	1		Small	Makes set-up boxes for cosmetic, fragrance, computer industries
383	C & H Plastics	Waterville	Oneida	NYSEG	100	30	1		Small	Injection molding operation
384	Cameron Fabricating Corporation	Horseheads	Chemung	NYSEG	325	211		1	Small	Manufacturer of process equipment
385	Candlelight Cabinetry, Inc.	Lockport	Niagara	NYSEG	400	216	1		Large	Manufacture custom cabinets
386	Caron Fine Wood Products, Inc.	Champlain	Clinton	NYSEG	15	4	1		Small	Supplier of kiln drying for lumber, hardwood & softwood
387	Cherry Creek Woodcraft Inc.	South Dayton	Cattaraugus	NYSEG	400	76		1	Large	Manufacturer of trophies and plaques
388	Conax Buffalo Technologies	Buffalo	Erie	NYSEG	75	82		1	Small	Temperature sensors
389	Consumers Beverages, Inc.	Buffalo	Erie	NYSEG	240	58	1		Small	Beverage Producer
390	Corning (Erwin Plant)	Corning	Steuben	NYSEG	1,500	624	1		Large	Manufacturer of optical fiber, glass and ceramic products
391	Corning, Inc.- (Big Flats)	Big Flats	Chemung	NYSEG	500	142	1		Large	Manufacturer of optical fiber, glass and ceramic products
392	Corning, Inc. (Costar Plant)	Oneonta	Otsego	NYSEG	900	165	1		Large	Manufacturer of optical fiber, glass and ceramic products
393	Corning, Inc. (Northside)	Corning	Steuben	NYSEG	2,500	911	1		Large	Manufacturer of optical fiber, glass and ceramic products
394	Corning, Inc. (SCC & TDM)	Corning	Steuben	NYSEG	500	176	1		Large	Manufacturer of optical fiber, glass and ceramic products
395	Corning, Inc.- (Southside)	Corning	Steuben	NYSEG	1,500	837	1		Large	Manufacturer of optical fiber, glass and ceramic products
396	Corning, Inc. (Sullivan Park)	Corning	Steuben	NYSEG	3,000	1,618	1		Large	Manufacturer of optical fiber, glass and ceramic products
397	Currier Plastics, Inc.	Auburn	Cayuga	NYSEG	300	144	1		Small	Manufactures plastic products
398	Custom Electronics, Inc.	Oneonta	Otsego	NYSEG	150	70	1		Small	Electronic components and assemblies
399	CWS	Norwich	Chenango	NYSEG	150	144		1	Small	Provides handicapped individuals with vocational rehabilitaion
400	Delaware Valley Hospital	Walton	Delaware	NYSEG	100	170		1	NFP	Hospital
401	Derrick Corp	Cheektowaga	Erie	NYSEG	1,000	484	1		Large	Manufacturer of separation technology for oil drilling industry
402	Diversified Controls & Systems, Inc.	East Aurora	Erie	NYSEG	25	12	1		Small	Customized electrical & pneumatic process controls
403	Diversified Manufacturing, Inc.	Lockport	Niagara	NYSEG	255	114		1	Small	Heat Exch.,Press.Vessels,Copper Platng Drums,Amer.
404	Dunmore Corporation	Brewster	Putnam	NYSEG	150	49	1		Small	Unsupported plastics film and sheets.

New York Power Authority **Exhibit A**

Power for Jobs - Extended Benefits **June 30, 2009**

List of Current Customers As of June 2009

Line	Company	City	County	IOU	Current Allocation KW	Jobs	Benefit Rebate	Benefit Power	Type	Service
405	Dynabrade, Inc.	Clarence	Erie	NYSEG	300	164		1	Small	Design and manufacture of power abrasive tools
406	Eastern Niagara Hospital, Inc	Lockport	Niagara	NYSEG	350	380		1	NFP	Health care
407	Egli Machine, Inc.	Sidney	Delaware	NYSEG	20	27	1		Small	Injected molds
408	Elmira Stamping and Manufacturing	Elmira	Chemung	NYSEG	60	41	1		Small	Stamping
409	Emerson Power Transmission, Corp.	Ithaca	Tompkins	NYSEG	1,400	424	1		Large	Power transmission
410	Emhart Glass Mfg., Inc.	Elmira	Chemung	NYSEG	100	164		1	Small	Manufacture of glass container inspection equipment
411	Endicott Interconnect Technologies	Endicott	Broome	NYSEG	3,500	4,172	1		Large	
412	Ever Fab, Inc.	East Aurora	Erie	NYSEG	150	65	1		Small	Manufacturers & designs precision components
413	Fermer Precision	Ilion	Herkimer	NYSEG	200	70		1	Small	Provides machining applications for metal and plastics industries.
414	Fisher Price	East Aurora	Erie	NYSEG	1,500	980		1	Large	Toys and hobby goods supplies
415	Forsyth Industries	East Aurora	Erie	NYSEG	60	16		1	Small	High volume metal stamping company
416	Frito-Lay, Inc.	Binghamton	Broome	NYSEG	1,000	575	1		Large	Snack food mfr
417	Greatbatch, Inc.	Clarence	Erie	NYSEG	780	373		1	Large	Manufactures batteries for implantable medical devices
418	H & E Machinery, Inc.	Ithaca	Tompkins	NYSEG	350	196	1		Small	Makes small turbine blades for gas turbine compressor markets
419	IEC Electronics Corp.	Newark	Wayne	NYSEG	590	257	1		Large	Assembly of printed circuit boards
420	Kennedy Valve	Elmira	Chemung	NYSEG	3,000	382	1		Large	Manufacturer of fire hydrants, and assorted valves
421	Kraft Foods - Walton	Walton	Delaware	NYSEG	870	155	1		Large	Mfr. of puddings & snacks
422	Lancaster Knives, Inc.	Lancaster	Erie	NYSEG	375	39		1	Small	Manufacturer of industrial knives
423	Manitoba Corporation	Lancaster	Erie	NYSEG	250	43	1		Small	Metal Recycling for non-ferrous metals
424	Mayer Brothers Products	Buffalo	Erie	NYSEG	400	165	1		Large	Bottled juice products
425	Meadwestvaco Corp	Sidney	Delaware	NYSEG	2,500	1,044	1		Large	Office paper products
426	Merritt Machinery, LCC	Lockport	Niagara	NYSEG	75	9	1		Small	Makes machinery for hardwood, veneer and plywood
427	Milward Alloys	Lockport	Niagara	NYSEG	600	41	1		Large	Produces and resells copper and aluminum based alloys
428	Miner Institute	Chazy	Clinton	NYSEG	150	49		1	Small	Educational/agricultural
429	Mold-A-Matic Corp.	Oneonta	Otsego	NYSEG	175	67		1	Small	Makes electric connectors and sub assemblies.
430	Morton International	Silver Springs	Wyoming	NYSEG	1,000	156	1		Large	Produces salt products
431	Motor Components, Inc.	Elmira	Chemung	NYSEG	250	90		1	Small	Start drives and fuel pumps
432	Mountainside Farms	Roxbury	Delaware	NYSEG	450	79		1	Large	All types of fluid milk products are bottled
433	National Pipe and Plastics	Vestal	Broome	NYSEG	1,300	172	1		Large	One of the largest PVC pipe producers in North America
434	Newcut, Inc.	Newark	Wayne	NYSEG	75	23		1	Small	Metal coating & allied services
435	Niagara Fiberboard Inc.	Lockport	Niagara	NYSEG	183	24	1		Small	Makes recycled paperboard products
436	Norampac Industries	Lancaster	Erie	NYSEG	200	141		1	Small	Paper
437	Norwich Aero Products, Inc.	Norwich	Chenango	NYSEG	160	113	1		Small	Mfg. auto temp sensors
438	NYSARC, Inc. - Columbia County Chap	Mellenville	Columbia	NYSEG	450	121		1	NFP	Training and educational facility for mentally handicapped citizens
439	Paul T. Freund Corp	Palmyra	Wayne	NYSEG	375	82		1	Small	Manufacturer of corrugated folding boxes
440	PCB Piezotronics, Inc.	Depew	Erie	NYSEG	600	480	1		Large	Production of capacitive & quartz tourmaline instruments
441	Polymer Conversions	Orchard Park	Erie	NYSEG	325	75	1		Small	Plastic Products
442	Quebecor World Buffalo, Inc.	Depew	Erie	NYSEG	650	759	1		Large	Printer and publisher
443	R & J Metal Finishing, Inc.	Depew	Erie	NYSEG	100	15		1	Small	Metal Finishing

New York Power Authority **Exhibit A**

Power for Jobs - Extended Benefits **June 30, 2009**

List of Current Customers As of June 2009

Line	Company	City	County	IOU	Current Allocation KW	Current Allocation Jobs	Benefit Rebate	Benefit Power	Type	Service
444	Racemark International, Inc.	Malta	Saratoga	NYSEG	150	134		1	Small	Luxury auto floor mats and seat covers
445	Roberson Memorial, Inc.	Binghamton	Broome	NYSEG	225	17		1	NFP	Educational institution & museum
446	Ryerson, Inc	Lancaster	Erie	NYSEG	500	156		1	Large	Steel distribution warehouse
447	Schweizer Aircraft Corp.	Horseheads	Chemung	NYSEG	700	821	1		Large	Producer of aircraft and airframe parts and assemblies
448	Sealing Devices, Inc.	Lancaster	Erie	NYSEG	150	161	1		Small	Manufacturer of die cut gaskets and a distributor of seals
449	Seneca Foods Corporation	Geneva	Ontario	NYSEG	1,000	280	1		Large	Canned fruits & vegetables
450	SEPP Management	Binghamton	Broome	NYSEG	80	19		1	Small	Low income housing for disadvantaged residents
451	Soucy USA	Champlain	Clinton	NYSEG	400	182	1		Large	Storage & Warehouse facility
452	Staroba Plastic & Metal Products of NY Inc.	Holland	Erie	NYSEG	700	114		1	Large	Manufacturers of corrugated paper packaging and displays
453	Taylor Metalworks	Orchard Park	Erie	NYSEG	400	114		1	Large	Manufacturers machined aluminum castings
454	Therm Inc.	Ithaca	Tompkins	NYSEG	900	178	1		Large	Manufacturer jet engine turbine airfoils
455	TMP Technologies, Inc.	Wyoming	Wyoming	NYSEG	268	57	1		Small	Maker of foam, rubber, plastic products
456	Ultralife Batteries, Inc.	Newark	Wayne	NYSEG	1,440	489	1		Large	Manufacturers batteries
457	Upstate Niagara Cooperative, Inc	Buffalo	Erie	NYSEG	600	154	1		Large	Processes milk into a variety of milk products
458	Vail Ballou Press, Inc.	Binghamton	Broome	NYSEG	1,800	399	1		Large	Book printer and distributor
459	Ward Lumber Co., Inc.	Jay	Essex	NYSEG	140	79		1	Small	Saw Mill & Forest Products
460	World Warehouse & Distribution	Champlain	Clinton	NYSEG	150	165		1	Small	Warehousing, storage and freight transportation.
	Total NYSEG			**88**	**56,569**	**25,342**				
461	International Business Machines - Sterling Forest	Poughkeepsie,	Orange	O&R	700	503	1		Large	Computer Manufacturer
	Total O&R			**1**	**700**	**503**				
462	Flower City Printing, Inc.	Rochester	Monroe	RGE	500	306	1		Large	Commercial printer
463	Flower City Printing, Inc.	Rochester	Monroe	RGE	650	306	1		Large	Commercial printer
464	Genesee Brewing Company	Rochester	Monroe	RGE	2,450	407	1		Large	Nations largest independent regional brewer
465	Gorbel Corp.	Fishers	Ontario	RGE	350	154	1		Small	Produces jibs, overhead workstations & cranes
466	International Business Machines - Rochester	Rochester	Monroe	RGE	1,150	592	1		Large	Computer Manufacturer
467	Jada Precision Plastics Co.	Rochester	Monroe	RGE	300	83	1		Small	Custom injection molder of thermoplastic materials
468	Mobil Chemical Company	Macedon	Wayne	RGE	600	168		1	Large	Manufacturer of plastic films and sheets
469	Morgood Tools, Inc.	Rochester	Monroe	RGE	200	60		1	Small	Manufacturer of cutting tools
470	New Energy Works	Farmington	Ontario	RGE	150	87		1	Small	Reclaims salvaged timber
471	Newport Rochester	Rochester	Monroe	RGE	190	55	1		Small	Mfg. spectrophotometers
472	Quality Vision International	Rochester	Monroe	RGE	650	277		1	Large	Manufactures custom measurement devices
473	Seneca Foods Corporation	Leicester	Livingston	RGE	720	115	1		Large	Canned fruits & vegetables
474	Seneca Foods Corporation	Marion	Wayne	RGE	1,100	110	1		Large	Canned fruits & vegetables
475	XLI Corporation	Rochester	Monroe	RGE	175	75	1		Small	Makers of precision machine components
	Total RG&E			**14**	**9,185**	**2,795**				

Total	**475**	**312,786**	**239,932**	**242**	**233**

New York Power Authority
Economic Development Power Programs
Request to Extend Contracts Until June 30, 2010

Exhibit "B"
June 30, 2009

Line	Company	City	County	Program	IOU	Current Allocation kw	Current Allocation Jobs	Current Allocation Contract End Date	Service
1	American Broadcasting Companies	New York	New York	EDP	CONED	6,600	4,684	10/31/09	Media company
2	BASF Catalysts, LLC	Peekskill	Westchester	MDA	CONED	1,225	302	6/30/09	Produces specialized pigments and film
3	BASF Catalysts, LLC	Peekskill	Westchester	MDA	CONED	1,000	302	6/30/09	Produces specialized pigments and film
4	Ciba Specialty Chemicals Corporation	Tarrytown	Westchester	MDA	CONED	3,200	492	6/30/09	Pharmaceuticals & chemicals
5	Citigroup	New York	New York	HLF	CONED	16,000	3,500	6/30/09	Investment banking services
6	Ellanef Manufacturing Corporation	Corona	Queens	EDP	CONED	1,100	222	5/19/10	Machining assembly components for aerospace industry
7	Excelsior Extrusion	Yonkers	Westchester	MDA	CONED	835	40	6/30/09	Produces extruded polyethylene film rolls, sheeting and bags
8	Excelsior Transparent Bag Manufacture	Yonkers	Westchester	MDA	CONED	525	134	6/30/09	Prints and converts plastic film materials
9	Hunts Point Cooperative Market, Inc	Bronx	Bronx	MDA	CONED	5,100	2,690	4/30/10	distributors
10	International Business Machines Cor	Yorktown Heights	Westchester	EDP	CONED	15,000	2,520	6/30/09	R&D
11	J.J. Cassone Bakery, Inc.	Port Chester	Westchester	EDP	CONED	180	196	6/30/09	Commercial bakery
12	J.P.Morgan/Chase	New York	New York	EDP	CONED	24,200	2,500	4/25/10	Banking
13	Montefiore Medical Center	Yonkers	Westchester	MDA	CONED	800	493	6/30/09	Computer Data Center for Medical Center
	Total Con Ed				**13**	**75,765**	**18,075**		
14	Adecco, Inc.	Melville	Suffolk	EDP	LIPA	1,500	619	6/30/09	Firm provides temporary employees in office facilities
15	Administrators for the Professions	Manhasset	Nassau	MDA	LIPA	500	231	6/30/09	Management company for Physician's Reciprocal Insurance
16	Air Industries	Bay Shore	Suffolk	MDA	LIPA	850	245	6/30/09	Manufacturer of aircraft parts
17	Alcan Packaging	New Hyde Park	Nassau	EDP	LIPA	850	142	6/30/09	Manufacturer of packaging materials for flexible packaging industry
18	AMETEK Hughes-Treitler	Garden City	Nassau	MDA	LIPA	650	164	6/30/09	Manufacturer of heat exchangers
19	Angelica Textile Services	Hempstead	Nassau	EDP	LIPA	700	410	6/30/09	Commercial laundry services
20	Barnes and Noble, Inc.	Westbury	Nassau	EDP	LIPA	1,100	277	6/30/09	Back office center for nationwide retail bookstores
21	Burton Industries Inc.	North Babylon	Suffolk	EDP	LIPA	750	49	6/30/09	Provides heat-treating services
22	Castella Imports Inc	Hauppauge	Suffolk	MDA	LIPA	300	85	6/30/09	Importers of Specialty Foods
23	Cold Spring Harbor Laboratory	Cold Spring Harbor	Nassau	MDA	LIPA	1,200	863	6/30/09	Independent research & educational institution
24	Computer Associates International,	Islandia	Suffolk	EDP	LIPA	12,000	1,975	6/30/09	Manufacturer of Computer software
25	Crescent Duck Farm, Inc.	Aquebogue	Suffolk	MDA	LIPA	500	70	6/30/09	Duck farm on Long Island to supply wholesalers & restaurants
26	Disc Graphics	Hauppauge	Suffolk	EDP	LIPA	342	247	6/30/09	Paperboard & wholesale printing company
27	Ellanef Manufacturing Corporation	Bohemia	Suffolk	MDA	LIPA	1,200	134	6/30/09	Machining assembly components for aerospace industry
28	Fortunoff	Uniondale	Nassau	MDA	LIPA	800	275	6/30/09	Warehousing and distribution/back office
29	GKN Aerospace Monitor	Amityville	Suffolk	MDA	LIPA	1,550	413	6/30/09	industry
30	GKN Aerospace Monitor	Amityville	Suffolk	EDP	LIPA	2,000	413	6/30/09	industry
31	Hazeltine Corp.	Greenlawn	Suffolk	EDP	LIPA	2,900	1,017	6/30/09	High technology electronics manufacturer
32	Island Container Corp.	Wheatley Heights	Suffolk	EDP	LIPA	450	125	6/30/09	Produces corrugated sheets & boxes
33	Kozy Shack, Inc.	Hicksville	Nassau	EDP	LIPA	350	270	6/30/09	Mfr. of puddings & snacks
34	NBTY, Inc.	Bohemia	Suffolk	EDP	LIPA	600	1,809	6/30/09	Manufactures & distributes vitamins and dietary supplements
35	Newsday, Inc.	Melville	Suffolk	EDP	LIPA	850	277	6/30/09	Printing daily newspaper
36	Oceanside Laundry	Oceanside	Nassau	MDA	LIPA	400	405	6/30/09	Commercial laundry services
37	Vishay GSI, LLC	Westbury	Nassau	EDP	LIPA	400	44	6/30/09	Produces silicon epitaxial materials
	Total LIPA				**24**	**32,742**	**10,559**		
38	Air Products and Chemicals, Inc.	Glenmont	Albany	HLF	N. Grid	3,000	61	6/30/09	Produces Industrial Gases
39	Air Products and Chemicals, Inc.	Glenmont	Albany	HLF	N. Grid	10,000	61	6/30/09	Produces Industrial Gases
40	Automotive Corporation	Batavia, NY	Genesee	EDP	N. Grid	425	84	6/30/09	Manufacturer of automobile & light truck spindles and knuckles
41	DaimlerChrysler Commercial Buses NA, Inc	Oriskany	Oneida	EDP	N. Grid	700	568	6/30/09	The assembly of state-of- the-art transit buses
42	Diemolding Corporation	Canastota	Madison	EDP	N. Grid	740	201	6/30/09	Thermoset plastic forming

New York Power Authority
Economic Development Power Programs
Request to Extend Contracts Until June 30, 2010

Exhibit "B"
June 30, 2009

Line	Company	City	County	Program	IOU	Current Allocation kw	Current Jobs	Current Allocation Contract End Date	Service
43	Dot Foods	Liverpool	Onondaga	EDP	N. Grid	300	242	12/31/09	Frozen food distrib.
44	Fiber Conversion, Inc.	Brodalbin	Fulton	EDP	N. Grid	425	21	6/30/09	Recycles textile waste into fibers
45	Granny's Kitchens, Ltd.	Frankfort	Herkimer	EDP	N. Grid	750	283	6/30/09	Wholesale Bakery Manufacturer, specializing in donuts
46	Granny's Kitchens, Ltd.	Frankfort	Herkimer	EDP	N. Grid	750	283	6/30/09	Wholesale Bakery Manufacturer, specializing in donuts
47	Granny's Kitchens, Ltd.	Frankfort	Herkimer	EDP	N. Grid	2,000	283	6/30/09	Wholesale Bakery Manufacturer, specializing in donuts
48	Griffiss Local Development Corp.	Rome	Oneida	EDP	N. Grid	2,000	404	6/30/09	Business Incubator
49	Harden Furniture Company	McConnellsville	Oneida	EDP	N. Grid	400	384	6/30/09	Large manufacturer of home furnishings
50	Harden Furniture Company	McConnellsville	Oneida	EDP	N. Grid	2,400	384	6/30/09	Large manufacturer of home furnishings
51	Keymark Corporation	Fonda	Montgomery	EDP	N. Grid	1,500	549	6/30/09	Aluminum extruded products
52	Markin Tubing, Division of M& R Ind	Wyoming	Wyoming	EDP	N. Grid	1,200	107	6/30/09	Produces small-diameter welded steel tubing
53	Metropolitan Life Insurance Company	Troy	Rensselaer	EDP	N. Grid	2,800	345	6/30/09	Computer operations, disaster recovery and program development
54	Middleport Cold Storage	Middleport	Niagara	EDP	N. Grid	500	74	6/30/09	Cold food storage facility
55	Norampac Industries Inc. Niagara Falls	Niagara Falls	Niagara	HLF	N. Grid	12,000	124	6/30/09	Manufacturer of corrugated products
56	Oak-Mitsui, Inc.	Hoosick Falls	Rensselaer	EDP	N. Grid	1,300	68	6/30/09	Copper foil-electronics
57	Oswego Wire, Inc.	Oswego	Oswego	EDP	N. Grid	1,000	96	6/30/09	Manufactures drawn copper wire
58	Owl Wire & Cable, Inc.	Canastota	Madison	EDP	N. Grid	1,500	194	6/30/09	Copper wire drawing
59	Revere Copper Products	Rome	Oneida	EDP	N. Grid	6,000	413	6/30/09	Copper & brass products
60	SCA Tissue	South Glens Falls	Saratoga	HLF	N. Grid	20,000	487	6/30/09	Recycled paper producer - napkins, paper towels, tissue
61	Specialized Packaging Radisson, Inc	Baldwinsville	Onondaga	EDP	N. Grid	1,300	192	6/30/09	Produces printed folding cartons for consumer products
62	The Fountainhead Group, Inc.	New York Mills	Oneida	EDP	N. Grid	500	190	6/30/09	Produces lawn & garden, household and fire fighting equipment
	Total National Grid				**25**	**73,490**	**6,098**		
63	Anchor Glass Container Corporation	Elmira Heights	Chemung	EDP	NYSEG	8,900	362	6/30/09	Produces glass containers
64	Endicott Interconnect Technologies	Endicott	Broome	EDP	NYSEG	20,000	4,172	6/30/09	Electronics
65	Ferro Corp.	Penn Yan	Yates	EDP	NYSEG	400	193	6/30/09	Produces ceramic powders used for polishing optical elements
66	Racemark International, Inc.	Malta	Saratoga	EDP	NYSEG	800	134	6/30/09	Luxury auto floor mats and seat covers
67	Sysco Corporation	Warners	Onondaga	EDP	NYSEG	500	459	6/30/09	Frozen/refrig/ foods
68	The Gunlocke Company	Wayland	Steuben	EDP	NYSEG	5,000	956	6/30/09	Produces wood office furniture
69	Unison Industries, LP	Norwich	Chenango	EDP	NYSEG	1,250	302	6/30/09	Makes electrical components for aerospace engine applications
	Total NYSEG				**7**	**36,850**	**6,578**		
70	Aluf Plastics, Inc.	Orangeburg	Rockland	EDP	O&R	900	280	6/30/09	Produces custom and stock plastic can-liner bags
	Total O&R				**1**	**900**	**280**		

Total		**70**	**219,747**	**41,590**

New York Power Authority
Economic Development Power Programs
Energy Cost Savings Benefits

Exhibit "C"
June 30, 2009

Line	Company	City	County	Program	IOU	Current Allocation kw	Current Job Commitment	Service
1	American Broadcasting Companies	New York	New York	EDP	CONED	6,600	4,684	Media company - Broadcast & Entertainment
2	American International Group, Inc.	New York	New York	EDP	CONED	4,600	6,067	Commercial property & casualty insurance
3	BASF Catalysts, LLC	Peekskill	Westchester	MDA	CONED	1,225	302	Produces specialized pigments and film
4	BASF Catalysts, LLC	Peekskill	Westchester	MDA	CONED	1,000	302	Produces specialized pigments and film
5	Bear, Sterns & Co., Inc.	New York	New York	EDP	CONED	8,000	7,222	Investment Banking
6	CBS Inc.	New York	New York	EDP	CONED	2,000	3,999	TV production & broadcast
7	CBS Inc.	New York	New York	EDP	CONED	6,000	3,999	TV production & broadcast
8	Ciba Specialty Chemicals Corporation	Tarrytown	Westchester	MDA	CONED	3,200	492	Pharmaceuticals & chemicals
9	Citibank, N.A.	New York	New York	EDP	CONED	5,100	12,500	Banking Services
10	Citigroup	New York	New York	HLF	CONED	16,000	3,500	Investment banking services
11	Columbia University - Audubon Business & Technology	New York	New York	MDA	CONED	850	123	Research & development in the biotechnology industry
12	Crystal Window & Door Systems, Ltd.	Flushing	Queens	MDA	CONED	800	289	Vinyl and aluminum window and doors
13	Ellanef Manufacturing Corporation	Corona	Queens	EDP	CONED	1,100	222	Machining assembly components for aerospace industry
14	Excelsior Extrusion	Yonkers	Westchester	MDA	CONED	835	40	Produces extruded polyethylene film rolls, sheeting and bags
15	Excelsior Transparent Bag Manufacture	Yonkers	Westchester	MDA	CONED	525	134	Prints and converts plastic film materials
16	Honeywell Farms	Jamaica	Queens	MDA	CONED	1,000	314	Milk processing plant
17	Hunts Point Cooperative Market, Inc	Bronx	Bronx	MDA	CONED	5,100	2,690	Commercial cooperative - wholesale meat and frozen food distributors
18	International Business Machines Cor	Yorktown Heights	Westchester	EDP	CONED	15,000	2,520	R&D
19	J.J. Cassone Bakery, Inc.	Port Chester	Westchester	EDP	CONED	180	196	Commercial bakery
20	J.P.Morgan/Chase	New York	New York	EDP	CONED	24,200	2,500	Banking
21	Montefiore Medical Center	Yonkers	Westchester	MDA	CONED	800	493	Computer Data Center for Medical Center
22	National Broadcasting Company, Inc.	New York	New York	EDP	CONED	7,600	1,800	Media company - Broadcast and Entertainment
23	New York Container Terminal, Inc	Staten Island	Richmond	MDA	CONED	2,500	508	Loading and discharging container vessels
24	New York Post Company, Inc.	New York	New York	MDA	CONED	9,000	639	Printing daily newspaper
25	New York Times Company, Inc.	Flushing	Queens	MDA	CONED	4,500	2,681	Printing daily newspaper
26	New York Times Company, Inc.	Flushing	Queens	EDP	CONED	6,000	2,681	Printing daily newspaper
27	Sigmund Cohn Corporation	Mount Vernon	Westchester	MDA	CONED	375	62	Manufacturer of precious metal wire and products
28	Spellman High Voltage Electronics Corp	Valhalla	Westchester	MDA	CONED	250	75	Manufacturer of electronic subsystems.
29	Steinway & Sons	Long Island City	Queens	MDA	CONED	1,400	577	Piano manufacturer and sales
30	Ultra Flex Packaging Corporation	Brooklyn	Kings	MDA	CONED	600	241	Manufacturer of plastic packaging.
	Total Con Ed				**30**	**136,340**	**61,852**	
31	Adecco, Inc.	Melville	Suffolk	EDP	LIPA	1,500	619	Firm provides temporary employees in office facilities
32	Administrators for the Professions	Manhasset	Nassau	MDA	LIPA	500	231	Management company for Physician's Reciprocal Insurance
33	Air Industries	Bay Shore	Suffolk	MDA	LIPA	850	245	Manufacturer of aircraft parts
34	Alcan Packaging	New Hyde Park	Nassau	EDP	LIPA	850	142	Manufacturer of packaging materials for flexible packaging industry
35	AMETEK Hughes-Treitler	Garden City	Nassau	MDA	LIPA	650	164	industries
36	Angelica Textile Services	Hempstead	Nassau	EDP	LIPA	700	410	Commercial laundry services
37	Barnes and Noble, Inc.	Westbury	Nassau	EDP	LIPA	1,100	277	Back office center for nationwide retail bookstores
38	Burton Industries Inc.	North Babylon	Suffolk	EDP	LIPA	750	49	Provides heat-treating services
39	Castella Imports Inc	Hauppauge	Suffolk	MDA	LIPA	300	85	Importers of Specialty Foods
40	Cold Spring Harbor Laboratory	Cold Spring Harbor	Nassau	MDA	LIPA	1,200	863	Independent research & educational institution
41	Computer Associates International,	Islandia	Suffolk	EDP	LIPA	12,000	1,975	Manufacturer of Computer software
42	Crescent Duck Farm, Inc.	Aquebogue	Suffolk	MDA	LIPA	500	70	Duck farm on Long Island to supply wholesalers & restaurants
43	Disc Graphics	Hauppauge	Suffolk	EDP	LIPA	342	247	Paperboard & wholesale printing company

New York Power Authority
Economic Development Power Programs
Energy Cost Savings Benefits

Exhibit "C"
June 30, 2009

Line	Company	City	County	Program	IOU	Current Allocation kw	Current Job Commitment	Service
44	Ellanef Manufacturing Corporation	Bohemia	Suffolk	MDA	LIPA	1,200	134	Machining assembly components for aerospace industry
45	Fortunoff	Uniondale	Nassau	MDA	LIPA	800	275	Warehousing and distribution/back office
46	GKN Aerospace Monitor	Amityville	Suffolk	MDA	LIPA	1,550	413	Produces structural component assemblies
47	GKN Aerospace Monitor	Amityville	Suffolk	EDP	LIPA	2,000	413	Produces structural component assemblies
48	Hazeltine Corp.	Greenlawn	Suffolk	EDP	LIPA	2,900	1,017	High technology electronics manufacturer
49	Island Container Corp.	Wheatley Heights	Suffolk	EDP	LIPA	450	125	Produces corrugated sheets & boxes
50	Kozy Shack, Inc.	Hicksville	Nassau	EDP	LIPA	350	270	Mfr. of puddings & snacks
51	NBTY, Inc.	Bohemia	Suffolk	EDP	LIPA	600	1,809	Manufactures & distributes vitamins and dietary supplements
52	Newsday, Inc.	Melville	Suffolk	EDP	LIPA	850	277	Printing daily newspaper
53	Oceanside Laundry	Oceanside	Nassau	MDA	LIPA	400	405	Commercial laundry services
54	Vishay GSI, LLC	Westbury	Nassau	EDP	LIPA	400	44	Produces silicon epitaxial materials used to make semiconductor devices
	Total LIPA				**24**	**32,742**	**10,559**	
55	Air Products and Chemicals, Inc.	Glenmont	Albany	HLF	N. Gird	3,000	61	Produces Industrial Gases that are used in semiconductor manufacturing
56	Air Products and Chemicals, Inc.	Glenmont	Albany	HLF	N. Gird	10,000	61	Produces Industrial Gases that are used in semiconductor manufacturing
57	Automotive Corporation	Batavia, NY	Genesee	EDP	N. Gird	425	84	Manufacturer of automobile & light truck spindles and knuckles
58	BOC Gases - Div. of BOC Group	Buffalo	Erie	HLF	N. Gird	2,500	42	Air separation facility
59	BOC Gases - Div. of BOC Group	Selkirk	Albany	HLF	N. Gird	15,750	34	Air separation facility
60	DaimlerChrysler Commercial Buses NA, Inc	Oriskany	Oneida	EDP	N. Gird	700	568	The assembly of state-of- the-art transit buses
61	Dielectric Laboratories, Inc.	Cazenovia	Madison	EDP	N. Gird	211	193	Ceramic capacitors and ceramic packaging
62	Diemolding Corporation	Canastota	Madison	EDP	N. Gird	740	201	Thermoset plastic forming
63	Dot Foods	Liverpool	Onondaga	EDP	N. Gird	300	242	Frozen food distrib.
64	Fiber Conversion, Inc.	Brodalbin	Fulton	EDP	N. Gird	425	21	Recycles textile waste into fibers
65	Granny's Kitchens, Ltd.	Frankfort	Herkimer	EDP	N. Gird	750	283	Wholesale Bakery Manufacturer, specializing in donuts
66	Granny's Kitchens, Ltd.	Frankfort	Herkimer	EDP	N. Gird	750	283	Wholesale Bakery Manufacturer, specializing in donuts
67	Granny's Kitchens, Ltd.	Frankfort	Herkimer	EDP	N. Gird	2,000	283	Wholesale Bakery Manufacturer, specializing in donuts
68	Griffiss Local Development Corp.	Rome	Oneida	EDP	N. Gird	2,000	404	Business Incubator
69	Griffiss Local Development Corp.	Rome	Oneida	EDP	N. Gird	2,000	3,053	Business Incubator
70	Harden Furniture Company	McConnellsville	Oneida	EDP	N. Gird	400	384	Large manufacturer of home furnishings
71	Harden Furniture Company	McConnellsville	Oneida	EDP	N. Gird	2,400	384	Large manufacturer of home furnishings
72	ICM Controls Corporation	Cicero	Onondaga	EDP	N. Gird	500	255	Manufacturer of electronic controls
73	Kaz Incorporated	Hudson	Columbia	EDP	N. Gird	750	402	Maker of consumer healthcare appliances
74	Keymark Corporation	Fonda	Montgomery	EDP	N. Gird	1,500	549	Aluminum extruded products
75	Markin Tubing, Division of M& R Ind	Wyoming	Wyoming	EDP	N. Gird	1,200	107	Produces small-diameter welded steel tubing
76	Metropolitan Life Insurance Company	Troy	Rensselaer	EDP	N. Gird	2,800	345	Computer operations, disaster recovery and program development
77	Middleport Cold Storage	Middleport	Niagara	EDP	N. Gird	500	74	Cold food storage facility
78	Norampac Industries Inc. Niagara Fa	Niagara Falls	Niagara	HLF	N. Gird	12,000	124	Manufacturer of corrugated products
79	Oak-Mitsui, Inc.	Hoosick Falls	Rensselaer	EDP	N. Gird	1,300	68	Copper foil-electronics
80	Oswego Wire, Inc.	Oswego	Oswego	EDP	N. Gird	1,000	96	Manufactures drawn copper wire
81	Owl Wire & Cable, Inc.	Canastota	Madison	EDP	N. Gird	1,500	194	Copper wire drawing
82	Revere Copper Products	Rome	Oneida	EDP	N. Gird	6,000	413	Copper & brass products
83	SCA Tissue (Encore Paper)	South Glens Falls	Saratoga	HLF	N. Gird	20,000	487	Recycled paper producer - napkins, paper towels, tissue
84	Specialized Packaging Radisson, Inc	Baldwinsville	Onondaga	EDP	N. Gird	1,300	192	Produces printed folding cartons for consumer products
85	The Fountainhead Group, Inc.	New York Mills	Oneida	EDP	N. Gird	500	190	Produces lawn & garden, household and fire fighting equipment
	Total National Grid				**31**	**95,201**	**10,077**	

New York Power Authority
Economic Development Power Programs
Energy Cost Savings Benefits

Exhibit "C"
June 30, 2009

Line	Company	City	County	Program	IOU	Current Allocation kw	Current Job Commitment	Service
86	Reynolds Metal Company	Massena	St. Lawrence	HLF	NYPA	17,000	457	Aluminum smelting
	Total NYPA				**1**	**17,000**	**457**	
87	Anchor Glass Container Corporation	Elmira Heights	Chemung	EDP	NYSEG	8,900	362	Produces glass containers
88	Endicott Interconnect Technologies	Endicott	Broome	EDP	NYSEG	20,000	4,172	Electronics
89	Ferro Corp.	Penn Yan	Yates	EDP	NYSEG	400	193	Produces ceramic powders used for polishing optical elements
90	Racemark International, Inc.	Malta	Saratoga	EDP	NYSEG	800	134	Luxury auto floor mats and seat covers
91	Sysco Corporation	Warners	Onondaga	EDP	NYSEG	500	459	Frozen/refrig/ foods
92	Sysco Corporation	Warners	Onondaga	EDP	NYSEG	400	459	Frozen/refrig/ foods
93	Tessy Plastics Corp.	Elbridge	Onondaga	EDP	NYSEG	300	535	Injection molder for manufacturers of office, medical and auto equipment
94	The Gunlocke Company	Wayland	Steuben	EDP	NYSEG	5,000	956	Produces wood office furniture
95	Unison Industries, LP	Norwich	Chenango	EDP	NYSEG	1,250	302	Makes electrical components for aerospace engine applications
	Total NYSEG				**9**	**37,550**	**7,572**	
96	Aluf Plastics, Inc.	Orangeburg	Rockland	EDP	O&R	900	280	Produces custom and stock plastic can-liner bags
	Total O&R				**1**	**900**	**280**	
			Total		**96**	**319,733**	**90,797**	

Table I
June 30, 2009

NEW YORK POWER AUTHORITY
BUSINESS CUSTOMERS
RATES APPLICABLE TO SERVICE TARIFFS NOS. 1, 1S, 35, 50 AND 50A
RATES EXTENDED THROUGH JUNE 30, 2010

Rate Category	Local Service Territory/Customer	Service Tariff	Demand Rate $/kW	Energy Rate mills/kWh
	CON EDISON			
CE 2.1				
	New York Container Terminal	35	10.00	31.37
CE 2.2				
	American International Group, Inc.	35	10.00	30.00
	CBS Inc.	35	10.00	30.00
	Spellman High Voltage Electronics Corp.	35	10.00	30.00
	Sigmund Cohn Corporation	35	10.00	30.00
	Steinway & Sons	35	10.00	30.00
CE 2.3				
	Excelsior Transparent Bag Mfg.	35	10.00	29.25
	Crystal Window & Door Systems	35	10.00	29.25
	Ultra Flex Packaging Corporation	35	10.00	29.25
	New York Post Company, Inc.	35	10.00	29.25
CE 2.4				
	Citigroup	1S	10.00	28.60
	Hunts Point Cooperative Market, Inc.	35	10.00	28.60
	J.J. Cassone Bakery, Inc.	1S	10.00	28.60
	National Broadcasting Company, Inc.	35	10.00	28.60
	Citibank, N.A.	35	10.00	28.60
	Honeywell Farms	35	10.00	28.60
	Montefiore Medical Center	35	10.00	28.60
	Ellanef Manufacturing Corporation	35	10.00	28.60
	IBM- IH1	1S	10.00	28.60
	Ciba Specialty Chemicals Corp.	35	10.00	28.60
	Columbia University - Audubon	35	10.00	28.60
CE 2.5				
	Excelsior Extrusion	35	10.00	28.27
	J.P. Morgan/Chase	35	10.00	28.27
	Bear, Stearns & Co., Inc.	35	10.00	28.27
	American Broadcasting Companies	35	10.00	28.27
	BASF Catalysts, LLC	35	10.00	28.27
CE 2.6				
	IBM- IYH	1S	10.00	27.26
	New York Times Company, Inc.	35	10.00	27.26
	LIPA			
LIPA 2.1				
	Fortunoff	35	10.50	27.50
LIPA 2.1A				
	Castella Imports, Inc.	35	9.00	37.95
LIPA 2.2				
	Burton Industries, Inc.	1S	8.80	31.55
	Island Container Corp.	1S	8.80	31.55
	Oceanside Laundry	35	8.80	31.55
	Disc Graphics	1S	8.80	31.55
	Plascal Corp.	35	8.80	31.55
	Air Industries	35	8.80	31.55
	Adecco, Inc.	1S	8.80	31.55
	AMETEK Hughes-Treitler	35	8.80	31.55
	Administrators for the Professions	35	8.80	31.55

Table I
June 30, 2009

NEW YORK POWER AUTHORITY
BUSINESS CUSTOMERS
RATES APPLICABLE TO SERVICE TARIFFS NOS. 1, 1S, 35, 50 AND 50A
RATES EXTENDED THROUGH JUNE 30, 2010

Rate Category	Local Service Territory/Customer	Service Tariff	Demand Rate $/kW	Energy Rate mills/kWh
LIPA 2.3				
	Angelica Textile Services	1S	9.00	30.24
	Kozy Shack, Inc.	1S	9.00	30.24
LIPA 2.4				
	Ellanef Manufacturing Corporation	35	8.16	31.60
	Vishay GSI, LLC	1S	8.16	31.60
	Hazeltine Corp.	1S	8.16	31.60
	Crescent Duck Farm, Inc.	35	8.16	31.60
	Barnes and Noble, Inc.	1S	8.16	31.60
LIPA 2.5				
	GKN Aerospace Monitor	1S/35	9.85	27.61
	NBTY, Inc.	1S	9.85	27.61
	Alcan Packaging	1S	9.85	27.61
	Cold Spring Harbor Laboratory	35	9.85	27.61
LIPA 2.6				
	Newsday, Inc.	1S	9.85	26.96
	Computer Associates International	1S	9.85	26.96
	NIMO			
NIMO 2.1				
	Metropolitan Life Insurance Company	50	10.00	26.55
	SCA Tissue	1S	10.00	26.55
	Keymark Corporation	50	10.00	26.55
	Kaz Inorporated	50	10.00	26.55
NIMO 2.2				
	Air Products and Chemicals, Inc.	1	10.00	26.10
	Harden Furniture Company	50	10.00	26.10
	Dielectric Laboratories	50	10.00	26.10
	DaimlerChrysler Commerical Bus NA, Inc.	50	10.00	26.10
	Oswego Wire, Inc.	50	10.00	26.10
	ICM Controls Corp.	50	10.00	26.10
	Fiber Conversion, Inc.	50	10.00	26.10
	Owl Wire & Cable, Inc.	50	10.00	26.10
NIMO 2.3				
	DOT Foods	50	10.00	25.60
	Granny's Kitchens, Ltd.	50	10.00	25.60
	The Fountainhead Group, Inc.	50	10.00	25.60
	Oak-Mitsui, Inc.	50	10.00	25.60
	Diemolding Corporation	50	10.00	25.60
	Specialized Packaging	50	10.00	25.60
	Markin Tubing	50	10.00	25.60
	Automotive Corporation	50	10.00	25.60
	Middleport Cold Storage	50	10.00	25.60
NIMO 2.4				
	Revere Copper Products	50	9.00	27.32
	BOC Gases - Buffalo	1	9.00	27.32
	Griffiss Local Develop.	50	9.00	27.32
NIMO 2.5				
	Norampac Industries	1S	9.00	26.64
	BOC Gases - Selkirk	1	9.00	26.64

Table I
June 30, 2009

NEW YORK POWER AUTHORITY
BUSINESS CUSTOMERS
RATES APPLICABLE TO SERVICE TARIFFS NOS. 1, 1S, 35, 50 AND 50A
RATES EXTENDED THROUGH JUNE 30, 2010

Rate Category	Local Service Territory/Customer	Service Tariff	Demand Rate $/kW	Energy Rate mills/kWh
	Direct Service			
DS 2.1				
	Reynolds	1	9.03	26.26
	NYSEG			
NYSEG 2.1				
	Racemark International, Inc.	50A	9.50	30.55
NYSEG 2.2				
	Endicott Interconnect Technologies	50A	9.60	26.94
	The Gunlocke Company	50A	9.60	26.94
	Anchor Glass Container Corporation	50A	9.60	26.94
NYSEG 2.3				
	Tessy Plastics Corp.	50	9.50	26.40
	Ferro Corp.	50A	9.50	26.40
	Unison Industries, LP	50A	9.50	26.40
	Sysco Corporation	50A	9.50	26.40
	O&R			
O&R 2.1				
	Aluf Plastics, Inc.	1S	9.90	26.96

7. Allocation of 6,000 kW of Hydropower

The President and Chief Executive Officer submitted the following report:

SUMMARY

"The Trustees are requested to approve an allocation of available Expansion Power ('EP') totaling 1,000 kW to Nestle Purina PetCare Company and an allocation of available Replacement Power ('RP') totaling 5,000 kW to Sunworks Solar, LLC.

BACKGROUND

"Under Section 1005(13) of the Power Authority Act, as amended by Chapter 313 of the Laws of 2005, the Authority may contract to allocate or reallocate directly, or by sale for resale, 250 MW of firm hydroelectric power as Expansion Power ('EP') and up to 445 MW of RP to businesses in the State located within 30 miles of the Niagara Power Project, provided that the amount of power allocated to businesses in Chautauqua County on January 1, 1987 shall continue to be allocated in such county.

"Each application for an allocation of EP or RP must be evaluated under criteria that include, but need not be limited to, those set forth in Public Authorities Law Section 1005(13)(a), which sets forth general eligibility requirements.

"Among the factors to be considered when evaluating a request for an allocation of hydropower are the number of jobs created as a result of the allocation; the business' long-term commitment to the region as evidenced by the current and/or planned capital investment in the business' facilities in the region; the ratio of the number of jobs to be created to the amount of power requested; the types of jobs created, as measured by wage and benefit levels, security and stability of employment and the type and cost of buildings, equipment and facilities to be constructed, enlarged or installed.

"On October 22, 2003, the Authority, National Grid, Empire State Development Corporation and the Buffalo Niagara Enterprise signed a Memorandum of Understanding ('MOU') that outlines the process to coordinate marketing and allocating Authority hydropower. The entities noted above have formed the Western New York Advisory Group ('Advisory Group') with the intent of better using the value of this resource to improve the economy of Western New York and the State of New York. Nothing in the MOU changes the legal requirements applicable to the allocation of hydropower.

DISCUSSION

"Staff recommends and the Advisory Group supports the available power being allocated to the two companies as set forth in Exhibit '7-A.' The Exhibit shows, among other things, the amount of power requested, the recommended allocation and additional employment and capital investment information. These projects will help maintain and diversify the industrial base of Western New York and provide new employment opportunities. The Sunworks expansion project is projected to result in the creation of 175 jobs with a related jobs-per-MW ratio of 35. This is slightly more than the average ratio for allocations since the formation of the Advisory Group. The project will also require a capital investment of $200 million that will result in a capital investment-per-MW ratio of $40 million. This is almost four times higher than the average of previous allocations. The Nestle Purina PetCare expansion is projected to result in the creation of 15 jobs with a related jobs-per-MW ratio of 15. This project will also require a capital investment of $50 million that will result in a capital investment-per-MW ratio of $50 million. This is almost five times higher than the average of previous allocations.

RECOMMENDATION

"The Director – Marketing Analysis and Administration recommends that the Trustees approve the allocation of 6,000 kW of hydropower to the companies listed in Exhibit '7-A.'

"The Chief Operating Officer, the Executive Vice President and General Counsel, the Senior Vice President – Marketing and Economic Development and I concur in the recommendation."

Mr. Yates presented the highlights of staff's recommendations to the Trustees. In response to a remark from Vice Chairman Foster that it wasn't clear what metrics staff used in analyzing this project, Mr. Yates said that it was very attractive from a jobs-per-MW standpoint. President Kessel said that the Sunworks allocation would be creating 175 green jobs.

The following resolution, as submitted by the President and Chief Executive Officer, was unanimously adopted.

> **RESOLVED, That the allocation of 6,000 kW of hydropower, as detailed in Exhibit "7-A," be, and hereby is, approved on the terms set forth in the foregoing report of the President and Chief Executive Officer; and be it further**
>
> **RESOLVED, That the Chairman, the Vice Chairman, the President and Chief Executive Officer, the Chief Operating Officer and all other officers of the Authority are, and each of them hereby is, authorized on behalf of the Authority to do any and all things, take any and all actions and execute and deliver any and all agreements, certificates and other documents to effectuate the foregoing resolution, subject to the approval of the form thereof by the Executive Vice President and General Counsel.**

June 30, 2009
Exhibit "7-A"

New York Power Authority
Replacement and Expansion Power
Recommendation for Allocation

Exhibit Number	Company Name	Program	City	County	Power Requested (kW)	New Jobs	Estimated Capital Investment	New Jobs Avg. Wage Benefits	Power Recommended (kW)	Contract Term
A-1	Nestle Purina PetCare Company	EP	Dunkirk	Chautauqua	1,000	15	$50,000,000	$80,000	**1000**	5 Years
A-2	Sunworks Solar, LLC	RP	TBD*	TBD*	6,150	175	$200,000,000	$61,000	**5,000**	5 Years
	Total EP Recommended					**190**	**$200,000,000**		**6,000**	

* The company will locate within 30 miles of the Niagara Project.

APPLICATION SUMMARY
Expansion Power

Company:	Nestle Purina PetCare Company
Location:	Dunkirk
County:	Chautauqua
IOU:	National Grid
Business Activity:	Pet foods and pet care products
Project Description:	The expansion project involves building an additional multistory further processing tower to be built over a portion of the existing facility. The new production line would allow the company to be first-to-market with an innovative new product. The new process will be proprietary and require complex construction and sophisticated new technology. The expansion will require an investment of more than $50 million over a period of three years.
Existing Allocation(s):	3,400 kW Expansion Power
Power Request:	1,000 kW
Power Recommended:	1,000 kW
Job Commitment:	
Existing:	327 jobs
New:	15 jobs
New Jobs/Power Ratio:	15 jobs/MW
New Jobs - Avg. Wage and Benefits:	$80,000
Capital Investment:	$50 million
Capital Investment per MW:	$50 million/MW
Summary:	Nestle Purina will develop a new production line requiring an additional multistory further processing tower to be built over a portion of the existing facility. An allocation of hydropower is needed to improve the chances that this site is chosen for this new and proprietary line. The company has 60 factories worldwide and is considering a plant in Iowa for this expansion due to lower grain, electricity and energy costs. Nestle Purina plans to work with Empire State Development for grant assistance and Chautauqua County for a payment-in-lieu-of-taxes agreement.

APPLICATION SUMMARY
Replacement Power

Company:	Sunworks Solar LLC
Location:	Within 30 miles of Niagara Power Project
County:	Within 30 miles of Niagara Power Project
IOU:	National Grid or New York State Electric and Gas Corporation
Business Activity:	Solar photovoltaic ("PV") panel manufacturing
Project Description:	Sunworks will invest in a 200,000-sq.-ft. manufacturing facility to produce high-tech, low-cost, thin-film amorphous/micromorph silicon solar PV panels. The facility will manufacture fully functional, ready- to-deploy panels to be sold to utilities and other utility-scale solar panel buyers. The project entails equipment for a manufacturing line, including line automation system, laminator, coater and plasma-enhanced chemical vapor deposition. Sunworks will also build material handling and warehousing areas.
Existing Allocation:	None
Power Request:	6,150 kW
Power Recommended:	5,000 kW
Job Commitment:	
Existing:	0 jobs
New:	175 jobs
New Jobs/Power Ratio:	35 jobs/MW
New Jobs - Avg. Wage and Benefits:	$61,000
Capital Investment:	$200 million
Capital Investment per MW:	$40 million/MW
Summary:	Several North American sites are under consideration for this project. A hydropower allocation is critical for Sunworks to cost-effectively produce solar panels and compete with the mostly offshore manufacturers that currently supply the market. An additional two lines of solar manufacturing may be built within three years. Buffalo Niagara Enterprise is coordinating other New York State incentives.

8. Procurement (Services) Contract –
State University of New York at Buffalo –
Solar Photovoltaic System – Award

The President and Chief Executive Officer submitted the following report:

SUMMARY

"The Trustees are requested to approve the award of a contract in the amount of up to $7.5 million to DeCloet Greenhouse Manufacturing Ltd. ('DeCloet') for the design, engineering, equipment procurement and installation of a 1.1 MW solar photovoltaic ('PV') system at the State University of New York at Buffalo ('UB') North Campus. DeCloet is teaming with Solar Liberty of Williamsville, NY ('Solar Liberty') on the project. As much as $6 million of the contract value, or 80%, is expected to go to Solar Liberty, which will be responsible for the solar panel procurement and providing the Western New York labor for installing the equipment. The installation will be owned and operated by UB.

BACKGROUND

"Section 2879 of the Public Authorities Law and the Authority's Guidelines for Procurement Contracts require the Trustees' approval for procurement contracts involving services to be rendered for a period in excess of one year. In addition, in accordance with the Authority's Expenditure Authorization Procedures, the award of non-personal services or equipment contracts in excess of $3 million requires the Trustees' approval.

"At their meeting of July 29, 2008, the Trustees authorized a $21 million Renewable Energy Program to help create a pathway to commercialization of emerging renewable energy technologies by providing incentives to promote demonstration and validation of new technologies. Those objectives are closely aligned with Governor Paterson's plan to meet 45% of New York State's electricity needs through improved energy efficiency and clean renewable energy by 2015.

"Much of the focus of the Authority's Renewable Energy Program is expected to be on Western New York and other upstate areas where there has been strong interest in new clean energy technologies for promoting economic development and developing clean energy jobs. The diverse initiatives under the Authority's program will make the most of opportunities to help build a sustainable renewable energy market in the state by demonstrating clean energy technologies in various applications. In addition to solar energy, the initiatives will include projects involving wind power, anaerobic digester gas and electric transportation. The project at UB, consisting of approximately 5,000 solar panels, will be one of the cornerstones of the program.

"UB is able to provide both the electrical load and the real estate required for a solar energy project of this size. UB has allocated up to 10 acres for the project and has committed to the installation of a fence around the solar PV system to provide long-term security. Generating more than 1.3 million kWh of energy annually, the solar PV system will provide power for 735 student apartments housing nearly 2,000 undergraduate and graduate students.

"The Authority has also partnered with UB on major energy efficiency initiatives over the past several years. The Authority has completed and financed nearly $16 million in energy conservation work (window replacement, boiler replacements and HVAC upgrades) at the university. The Authority is also nearing completion of a $10 million project to replace chillers and upgrade campus lighting, and is evaluating an additional $14 million in energy conservation projects.

"The solar and energy efficiency initiatives are consistent with UB's commitment to protecting the environment through programs like 'UB Green,' which promotes numerous environmentally friendly campus initiatives. UB's President, John B. Simpson, was also one of the recent signatories of the American College and University Presidents Climate Commitment, which pledges higher educational institutions to take steps to minimize global warming emissions in pursuit of climate neutrality.

DISCUSSION

"In March 2009, the Authority issued a Request for Proposals ('RFP') for the design, engineering, equipment procurement and installation of a 1.1 MW solar PV system for installation at UB's North Campus. Six bids were received on April 21, 2009 from DeCloet, Eaton Corporation, Mercury Solar Systems, O'Connell Electric Company, SunDurance Energy and SunWize Technologies. Authority staff conducted a review of the six bids in cooperation with the National Renewable Energy Laboratory through its Technical Assistance Program. Further, Authority staff conducted bid review meetings with the two low bidders, DeCloet and SunDurance Energy. Both bidders exhibited the necessary experience and abilities for a project of this size. The proposal from DeCloet, the lowest-priced bidder, satisfied all the requirements contained in the RFP. DeCloet, an Ontario firm, is partnering with Solar Liberty, a Buffalo-area firm, on the project. As much as $6 million, or approximately 80% of the contract value of up to $7.5 million, is expected to go to Solar Liberty, which is one of the premier integrators and installers of renewable energy technologies in North America

"Subject to the Trustees' approval, the Authority will enter into a contract with DeCloet to design, engineer, procure and install the solar PV project, as well as to provide maintenance and warranty services for the system for five years. The warranty provision will allow UB to become familiar with required operation and maintenance practices and ensure a successful and safe demonstration project.

"The solar PV project is subject to a site installation agreement between the Authority and UB. This site agreement will be fully authorized prior to awarding a contract to DeCloet. The Authority will be responsible for overall project implementation and will pay for project capital costs. Upon installation, UB will assume ownership of the solar PV system.

"The solar PV system, once put into operation, is expected to be the largest solar PV system in New York State, one of the largest systems on a college campus in the U. S. and one of the largest PV systems in the Northeast.

FISCAL INFORMATION

"Funding for this initiative will be provided primarily from the Operating Fund from the previously approved $21 million Renewable Energy Program. Any additional required funds would be provided through the existing Statewide Energy Services Program.

RECOMMENDATION

"The Senior Vice President – Energy Services and Technology and the Chief Technology Development Officer recommend that the Trustees approve a contract award in the amount of $7.5 million to DeCloet Greenhouse Manufacturing Ltd. for the solar photovoltaic system project at the State University of New York at Buffalo.

"The Chief Operating Officer, the Executive Vice President and General Counsel, the Executive Vice President and Chief Financial Officer, the Senior Vice President – Marketing and Economic Development, the Vice President – Procurement and I concur in the recommendation."

Mr. Richard Hackman presented the highlights of staff's recommendations to the Trustees. In response to a question from Trustee Nicandri, Mr. Hackman said that solar mapping indicates that the potential for solar energy in Western New York is excellent compared to other areas of the State. President Kessel added that Western New York is one of the sunniest places in the country and that the panels installed for this project would constantly track the sun.

The following resolution, as submitted by the President and Chief Executive Officer, was unanimously adopted.

RESOLVED, That pursuant to the Guidelines for Procurement Contracts adopted by the Authority and the Authority's Expenditure Authorization Procedures, the Trustees hereby authorize the award of a contract in the amount of up to $7.5 million to DeCloet Greenhouse Manufacturing Ltd. for the design, engineering, equipment procurement, installation and financing of a 1.1 MW solar photovoltaic system for the State University of New York at Buffalo's North Campus. DeCloet has teamed with Solar Liberty of Williamsville, NY, which will be providing approximately 80% of the contract value of this project, including solar panel procurement and on-site installation labor; and be it further

RESOLVED, That Operating Fund monies will be used to fund contract costs in the amount and for the purposes listed below:

Expenditure Authorization Operating Funds	**(not to exceed)**
DeCloet contract: design, engineering, equipment procurement, installation and Authority overhead and financing	**$7.5 million**

AND BE IT FURTHER RESOLVED, That the Chairman, the Vice Chairman, the President and Chief Executive Officer, the Chief Operating Officer and all other officers of the Authority are, and each of them hereby is, authorized on behalf of the Authority to do any and all things and take any and all actions and execute and deliver any and all certificates, agreements and other documents to effectuate the foregoing resolution, subject to the approval of the form thereof by the Executive Vice President and General Counsel.

9. Procurement (Services) Contracts – Consulting Support Services – Offshore Windpower Initiatives – Power Resource Planning and Acquisition – Awards

The President and Chief Executive Officer submitted the following report:

SUMMARY

"The Trustees are requested to approve the award and funding of five consulting services contracts, listed in Exhibit '9-A,' to support the Authority's Offshore Wind Initiatives. It is anticipated that five-year contracts in an aggregate total of $5 million will be awarded.

BACKGROUND

"Section 2879 of the Public Authorities Law and the Authority's Guidelines for Procurement Contracts require the Trustees' approval for procurement contracts involving services to be rendered for a period in excess of one year. In addition, the Authority's Expenditure Authorization Procedures ('EAPs') require the Trustees' approval for the award of personal services contracts in excess of $1 million if low bidder, or $500,000 if sole source or non-low bidder.

"Since the terms of the subject contracts will be more than one year and the requested funding exceed $1 million, the Trustees' approval is required to execute these contracts. The contracts include provisions allowing the Authority to terminate the services for the Authority's convenience, without liability other than paying for acceptable services rendered to the effective date of termination. Approval is also requested for funds associated with these contracts. It should be noted that these contract awards do not obligate the Authority to a specific level of personnel resources or expenditures. If, as, and when a need for services is identified, staff will solicit proposals for services from amongst the five consultants, and assign the work to the firm(s) most qualified to perform those particular services.

DISCUSSION

"On April 22, 2009, the Authority issued a Request for Expressions of Interest ('RFEI'), as part of its initiative for the potential development of wind power projects in the New York State waters of Lake Erie and/or Lake Ontario ('Great Lakes Offshore Wind Project'). The RFEI's goal was to gather relevant wind project information and feedback from the wind industry and other potential stakeholders for use in a wind development Request for Proposals ('Wind Park RFP'). The Authority is also part of the (working title) Long Island – New York Offshore Wind Collaborative ('Collaborative'), along with the Long Island Power Authority ('LIPA'), Consolidated Edison Company of New York, Inc. ('Con Ed') and other New York City and New York State governmental entities. The Collaborative is working to develop wind power off the coast of Long Island and is also planning to issue an RFEI shortly.

"On April 27, 2009, in support of the Great Lakes Offshore Wind Project, the Collaborative and other potential wind power initiatives, the Authority issued an RFP to obtain technical consultants. A notice of the RFP was published in the New York State *Contract Reporter* on April 27, 2009. The RFP requested competitive proposals from qualified consultants with previous successful experience to provide technical consulting expertise, and related assistance with the potential development of offshore windpower projects for the Great Lakes Offshore Wind Project, the Collaborative and any other potential related projects.

"Consulting assistance was sought in a wide range of disciplines and for support throughout all phases of the Great Lakes Offshore Wind project. Initial work would focus on reviewing and evaluating the technical responses to the RFEI, as well as updating existing Great Lakes wind studies. The initial work will also include analyzing factors such as available wind resources, avian impact, visual conditions and lake-bottom areas to determine the best sites for a commercial-scale offshore wind farm in Lake Erie and/or Lake Ontario. It is anticipated that the results of the studies performed will be published by the Authority for use by developers bidding on a potential Wind Park RFP. In addition, consultants may be asked to: (i) provide technical assistance to Authority

staff in developing the Wind Park RFP; (ii) participate in the technical evaluation of proposals received by the Authority in response to any Wind Park RFPs the Authority may issue and (iii) provide project management support for the development and construction of any projects selected by the Authority as part of a Wind Park RFP.

"The RFP was downloaded by 64 firms or other entities, and 18 bids were received from technically oriented firms with varying degrees of relevant experience in the disciplines requested. A number of the bids contained team proposals for a lead consulting firm partnering with subcontractors that have specialized expertise.

"An interdepartmental team consisting of staff from Power Resource Planning and Acquisition, Energy Services and Technology, Special Projects and Business Integration and Corporate Communications reviewed the proposals to assess the bidders' experience and qualifications. The main selection criteria were previous successful experience with offshore wind projects and the requisite combination of management, staff and scientists with expertise in the required disciplines as specified in the RFP. The five firms recommended for award (AWS Truewind, LLC.; DNV Global Energy Concepts; ESS Group, Inc.; Germanischer Lloyd Industrial Services and Hatch Acres Corporation) each have relevant experience with major offshore wind projects, as well as a team of professionals with expertise in all or nearly all of the disciplines needed to perform the work delineated in the RFP Scope of Services. Additional details about the five firms are provided in Exhibit '9-A.'

"The Trustees are hereby requested to approve the award of the subject contracts for a five-year term. Approval is also requested for the total estimated amount expected to be expended through 2014, $5 million in the aggregate, to be released as needed. Should additional funding be required, approval of such funding will be requested in accordance with the Authority's EAPs.

FISCAL INFORMATION

"Funds required to support these contracts listed will come from the 2009 Approved O&M Budget. Funds for subsequent years, where applicable, will be included in the budget submittals for those years. To the extent that work performed under these contracts is in support of power supply for specific customers, the Authority intends to recover the costs incurred from the affected customers, either through a direct surcharge or as part of their cost-of-service rates.

RECOMMENDATION

"The Vice President – Power Resource Planning and Acquisition, the Vice President – Procurement, the Chief Technology Development Officer and the Chief Sustainability Manager recommend that the Trustees approve the award of procurement contracts to the companies listed in Exhibit '9-A' for the purposes and in the aggregate amount set forth above.

"The Chief Operating Officer, the Executive Vice President and General Counsel, the Executive Vice President – Chief Financial Officer, the Senior Vice President – Energy Services and Technology, the Senior Vice President – Marketing and Economic Development and I concur in the recommendation."

Mr. Jordan Brandeis presented the highlights of staff's recommendations to the Trustees. Trustee Cusack said that in the four years she's been a Trustee, she's never seen projects move as quickly as they have in the past several months. She said that the progress over these months is good to see and that it is clear that staff is working hard to make things happen.

The following resolution, as submitted by the President and Chief Executive Officer, was unanimously adopted.

> **RESOLVED, That pursuant to the Guidelines for Procurement Contracts and Expenditure Authorization Procedures adopted by the Authority, the award and funding of the procurement services contracts set forth in Exhibit "9-A" attached hereto are hereby approved for the period of time indicated, in the amounts and for the purposes listed therein, as recommended in the foregoing report of the President and Chief Executive Officer; and be it further**
>
> **RESOLVED, That the Chairman, the Vice Chairman, the President and Chief Executive Officer, the Chief Operating Officer and all other officers of the Authority are, and each of them hereby is, authorized on behalf of the Authority to do any and all things, take any and all actions and execute and deliver any and all agreements, certificates and other documents to effectuate the foregoing resolution, subject to the approval of the form thereof by the Executive Vice President and General Counsel.**

June 30, 2009
Exhibit "9-A"

Procurement (Services) Contracts – Consulting Support Services

Offshore Windpower Initiatives –

Power Resource Planning and Acquisition – Awards

- RE: Inquiry No. Q09-4541RH – Consulting Services – Windpower Project – Provide for consulting services to assist the Authority in its initiatives for potential development of offshore windpower projects in New York State
- For description of contracts, see "Discussion" in attached Memorandum from the President and Chief Executive Officer
- Contracts to run for 5 years – on or about 7-1-2009 to 6-30-2014
- Authorization is requested for $5 million in the aggregate for the contracts listed below

Company	**Location**
1. AWS Truewind, LLC	Albany, NY
2. DNV Global Energy Concepts, Inc.	Seattle, WA
3. ESS Group, Inc	East Providence, RI
4. Germanischer Lloyd Industrial Services	Montreal, Quebec
5. Hatch Acres Corporation	Amherst, NY

10. <u>Motion to Conduct an Executive Session</u>

"Mr. Chairman, I move that the Authority conduct an executive session pursuant to Section 105(1)(f) of the Public Officers Law of the State of New York to discuss matters leading to the appointment, employment, promotion, discipline, suspension, dismissal or removal of a particular person or corporation." Upon motion made and seconded, an Executive Session was held.

11. <u>Motion to Resume Meeting in Open Session</u>

"Mr. Chairman, I move to resume the meeting in Open Session." Upon motion made and seconded, the meeting resumed in Open Session.

12. <u>Next Meeting</u>

The next Regular Meeting of the Trustees will be held on Tuesday, July 28, 2009, at 11:00 a.m., at the Clarence D. Rappleyea Building, 123 Main Street, White Plains, New York, unless otherwise designated by the Chairman with the concurrence of the Trustees.

Closing

On motion made and seconded, the meeting was adjourned by the Chairman at approximately 3:00 p.m.

Karen Delince
Corporate Secretary

JUNEMINS.09