

Acting Chief Executive Officer Report Gil Quiniones

September 27, 2011

Board of Trustee Meeting

Acting CEO Report Overview

- Executive Management
- Storms, Flooding, and Additional Response
- Key Issues
 - Recharge New York Implementation
 - Long Island – New York City Offshore Wind
 - Proposed Hydro Rate Increase
 - Overhead Cost Reductions
 - Financial and Strategic Planning

Executive Management

- **Donald Russak**
Senior Vice President, Corporate Planning & Finance
Acting Chief Financial Officer
- **Edward Welz**
Executive Vice President & Chief Engineer Power Supply
Acting Chief Operating Officer
- **Judith McCarthy**
First Deputy General Counsel
Acting General Counsel
- **Paul Finnegan**
Senior Vice President Public, Governmental, & Regulatory Affairs
- **James Pasquale**
Senior Vice President Marketing & Economic Development
- **Joan Tursi**
Senior Vice President Corporate Support Services
- **Michael Saltzman**
Director Media Relations

Storms, Flooding, and Response

Blenheim-Gilboa

- Staff managed an inflow surge of water equivalent to 1.3 times the flow over Niagara Falls during peak tourist season.
- Preserved the lower reservoir.



Flooding debris near Blenheim-Gilboa Plant



All three Tainter gates in full 42 ft. open position.

Storms, Flooding, and Response

Vischer Ferry

- Shored-up and prevented the earthen embankment at Lock 7 from failing when the flows on the Mohawk River reached historic high levels and crested above the concrete core wall.



Debris from storm damage at Vischer Ferry



Reinforcing downstream side of the embankment

Storms, Flooding, and Response

Additional Response

- Three transmission crews provided assistance to Long Island Power Authority (LIPA) and New York State Electric and Gas (NYSEG)
- Employees volunteered on weekends for flood clean-up



NYPA transmission crews assisted LIPA and NYSEG during storm response

Key Issues

Recharge New York Implementation

- Communications roll-out in progress
- Applications available starting today, due November 30
- Initial allocations to be made in mid-December

Long Island – New York City Offshore Wind

- Lease application filed with the federal government on September 15 on behalf of the Collaborative, including LIPA and Con Edison
- Next step is preliminary review of the application and determination of the type of process to be used for award

Proposed Hydro Rate Increase

- Public comment period and communications outreach has commenced
- Staff met with elected officials in the Niagara and St. Lawrence regions on September 8 and 9
- Public Forums are scheduled for Syracuse (September 19), Niagara (September 20) and Massena (September 22)

Key Issues

Overhead Cost Reduction

- Study conducted at the request of the Trustees in July
- Near term savings opportunities identified in the areas of staffing, consulting, and other headquarters spending: recommendations to be presented at September meeting
- Longer term savings under review – to be incorporated into 2012 Budget request

Financial and Strategic Planning

- Operation & Maintenance and Capital Budgets to be presented at December Board meeting with briefing materials distributed mid-to-late November
- Annual Strategic Plan to be presented at March 2012 Board meeting for filing with the New York State Authorities Budget Office