

POWER AUTHORITY OF THE STATE OF NEW YORK

**ANNUAL REPORT TO THE GOVERNOR AND LEGISLATIVE LEADERS
PURSUANT TO PUBLIC AUTHORITIES LAW §§ 1005(9-A), (26) AND (27)**

Power Authority of the State of New York

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INTRODUCTION

This annual report is submitted to the Governor and legislative leaders for the purpose of reporting on the activities of the New York Power Authority (“NYPA”) regarding the implementation of subdivisions 9-a, 26 and 27 of section 1005 of the Public Authorities Law (“PAL”). These provisions were added to the PAL by Chapter 58 of the Laws of the 2019 (“Chapter 58”) and became effective on April 12, 2019 (the “Effective Date”). Therefore, this first annual report covers the eight-month period from the Effective Date through December 31, 2019 (the “Reporting Period”).¹

PAL § 1005(9-a)

In summary, PAL § 1005(9-a) authorizes NYPA to “design, finance, develop, construct, install, lease, operate and maintain electric vehicle charging stations throughout the state for use by the public.”

Since the Effective Date, NYPA’s implementation work has focused on the following activities:²

- planning, including identifying appropriate locations for electric vehicle (“EV”) charging stations, based on such considerations as priority corridors, traffic patterns, proximity to key exits/intersections, hours of operation and available amenities;
- engaging with landowners of prospective site hosts;

¹ Copies of these statutory provisions are provided in an appendix to this report. PAL § 1005(9-a) requires that the information specified be reported on NYPA’s website. NYPA has included such information in this report for the sake of completeness.

² NYPA programs implemented under other statutory authority (*e.g.*, PAL § 1005(17)) have led to the installation of approximately 165 EV charging ports during 2019.

- preparation of documents, such as host site agreements, insurance, permits and utility interconnection forms; and
- securing appropriate contracts with third-party vendors for construction, management and other services.

As of the date of this report, NYPA has executed various contracts providing for the installation of seven electric vehicle charging station projects which are expected to collectively make over two-dozen EV charging units which will be available for public use. The following table provides a summary of information relating to these projects.

LOCATION	HOST ENTITY	SITE DESCRIPTION	CHARGER UNITS	CONTRACT EXECUTION	IN-SERVICE DATE
Schroon Lake	Sunoco	Convenience/gas	4	6/14/19	Q2-Q3/2020
Lagrangeville	Tops	Supermarket	4	9/12/19	Q2-Q3/2020
Watertown	Watertown City Center	Commercial mall	4	9/3/19	Q2-Q3/2020
Commack	Cosentino	Commercial mall	4	9/10/19	Q2-Q3/2020
Oneonta	Mirabito	Convenience/gas	4	12/4/19	Q2-Q3/2020
Castle Creek	Mirabito	Convenience/gas	4	12/4/19	Q2-Q3/2020
Malone	Franklin County	Municipal parking facility	1	10/25/19	Q2-Q3/2020

NYPA expects the installation and operation of EV charging stations to begin in 2020.

Given the nascent stages of the EV charging projects identified, NYPA is not yet in a position to report on costs incurred for these projects.

PAL § 1005(26)

PAL § 1005(26) provides in pertinent part that NYPA, as deemed feasible and advisable by the trustees, is authorized to “plan, finance, construct, acquire, operate, improve and maintain, either alone or jointly with one or more other entities, transmission facilities for the purpose of transmitting power and energy generated by renewable wind energy generation projects that are located in state territorial waters, and/or in waters under the jurisdiction or regulation of the United States...”

In October 2019, the New York Energy Research and Development Authority (“NYSERDA”) as part of its first phase of solicitations for development of off-shore wind projects, finalized contracts with Sunrise Wind LLC, a joint venture of Ørsted A/S and Eversource Energy, for the development a 880 megawatt offshore wind project known as the Sunrise Wind Project. In connection with PAL § 1005(26) NYPA is currently considering options to support the development of transmission assets related to the Sunrise Wind Project and other projects.

PAL § 1005(27)

PAL § 1005(27) authorizes NYPA to, among other things, procure and sell market power and renewable power to NYPA power customers, state and local government entities and Community Choice Aggregation (“CCA”) plans. In the few months since Chapter 58 was enacted, NYPA has focused on the following matters in preparation for the sale of power to eligible entities.

1. Stakeholder outreach. Since the enactment of Chapter 58, NYPA staff has had numerous meetings and other discussions with several stakeholders that are now eligible to purchase energy products from NYPA. For example, NYPA has met representatives of all of the state’s CCA administrators, representatives from New York State entities, and representatives of several municipalities from around NYS (collectively, “Qualified Consumers”) for the purpose of gaining an understanding of the energy needs and expectations of the Qualified Consumers and identifying opportunities for NYPA to work together on energy sales and other energy-related matters (e.g., energy efficiency).

2. Market analysis. In the few months since the enactment of Chapter 58, NYPA has been working on identifying potential sources of market and renewable energy supplies to serve potential new customers. NYPA is also in the process of conducting a bottoms-up assessment of

power usage by building type. Power products options are heavily influenced by zone, energy, load factor and capacity. These assessments will better enable NYPA to identify and engage with those Qualified Entities it believes can benefit from NYPA services.

3. Product development and mechanics. NYPA has been working on developing product offerings, focusing on such issues as energy products, potential allocation processes, cost and price analyses, risk assessment, procurement process, and the availability of green energy products. In addition, the authority has been designing tariff and contract forms that would be used for power sales.

NYPA expects that sales of power pursuant to PAL § 1005(27) will commence in 2020.

APPENDIX

The authority is authorized and directed:

9-a. As deemed feasible and advisable by the trustees, to design, finance, develop, construct, install, lease, operate and maintain electric vehicle charging stations throughout the state for use by the public. The authority shall annually post on their website a report on those activities undertaken pursuant to this subdivision, including but not limited to: the total number of electric vehicle charging stations in operation pursuant to such authorization, the locations of such charging stations, and the total costs to the authority associated with such activities.

26. (a) As deemed feasible and advisable by the trustees, to plan, finance, construct, acquire, operate, improve and maintain, either alone or jointly with one or more other entities, transmission facilities for the purpose of transmitting power and energy generated by renewable wind energy generation projects that are located in state territorial waters, and/or in waters under the jurisdiction or regulation of the United States, which supplies electric power and energy to the state of New York that the authority deems necessary and desirable in order to: (i) provide, support and maintain an adequate and reliable supply of electric power and energy in the state of New York, and/or (ii) assist the state in meeting state energy-related goals and standards.

(b) The source of any financing and/or loans provided by the authority for any of the actions authorized in paragraph (a) of this subdivision may be the proceeds of notes issued pursuant to section one thousand nine-a of this title, the proceeds of bonds issued pursuant to section one thousand ten of this title, or any other available authority funds.

(c) The authority shall complete and submit a report, on or before January thirty-first, two thousand twenty, and annually thereafter, on those activities undertaken pursuant to this subdivision to the governor, the speaker of the assembly, the temporary president of the senate, the minority leader of the senate, the minority leader of the assembly, the chair of the senate finance committee, the chair of the assembly ways and means committee, the chair of the assembly energy committee, and the chair of the senate energy and telecommunications committee. Such report shall be posted on the authority's website and accessible for public review.

27. (a) Notwithstanding any other provision of this title, as deemed feasible and advisable by the trustees, the authority is authorized to undertake the following actions when it deems it necessary or desirable to address the energy-related needs of any (i) authority customer, (ii) public entity, or (iii) CCA community:

(1) (A) supply power and energy procured from competitive market sources to any (i) authority customer, (ii) public entity, or (iii) CCA community through the supply of such products through an energy services company or other entity that is authorized by the public service commission to procure and sell energy products to participants of a CCA program, provided, however, that the authority shall not supply at any point more than a total of four hundred megawatts of power and energy to authority customers and public entities pursuant to the authority of this clause;

(B) supply renewable power, energy, or related credits or attributes procured through a competitive process, from competitive market sources, or through negotiation when a competitive procurement is not reasonably feasible and such products can be procured on reasonably competitive terms to (i) any authority customer, (ii) any public entity, or (iii) any CCA community through the supply of such products through an energy services company or other entity that is authorized by the public service commission to procure and sell energy products to participants of a CCA program; and

(2) (A) alone or jointly with one or more other entities, finance the development of renewable energy generating projects that are located in the state, including its territorial waters, and/or on property or in waters under the jurisdiction or regulatory authority of the United States, (B) purchase power, energy or related credits or attributes produced from such renewable energy generating projects, and (C) allocate and sell any such products to (i) any authority customer, (ii) any public entity, and (iii) any CCA community through an energy services company or other entity that is authorized by the public service commission to procure and sell energy products to participants of a CCA program, provided that the authority shall not, pursuant to the authority in this subparagraph, finance more than six renewable energy generation projects and have a per-project electric generating capacity in excess of twenty-five megawatts.

(b) Nothing in this subdivision authorizes the authority to act as an energy supply company or administrator for CCA programs.

(c) Power and energy sold pursuant to the authority provided in paragraph (a) of this subdivision shall only be sold for use at facilities located in the state.

(d) Any public entity is hereby authorized to contract with the authority for the purchase of power, energy, or related credits or attributes which the authority is authorized to supply under paragraph (a) of this subdivision.

(e) The source of any financing and/or loans provided by the authority for any of the actions authorized in paragraph (a) of this subdivision may be the proceeds of notes issued pursuant to section one thousand nine-a of this title, the proceeds of bonds issued pursuant to section one thousand ten of this title, or any other available authority funds.

(f) The authority shall complete and submit a report, on or before January thirty-first, two thousand twenty, and annually thereafter on those actions undertaken pursuant to this subdivision to the governor, the speaker of the assembly, the temporary president of the senate, the chair of the assembly ways and means committee, the chair of the senate finance committee, the chair of

the assembly energy committee and the chair of the senate energy and telecommunications committee. Such report, at a minimum, shall include: (i) an accounting of the total amount of power, energy, and related credits and attributes procured from competitive market sources and supplied to authority customers, public entities, and CCA communities; (ii) an accounting of the total amount of renewable power, energy, and related credits and attributes procured through negotiation and supplied to authority customers, public entities, and CCA communities; (iii) a description of all renewable energy generating projects financed by the authority, including the aggregate amount of financing; (iv) an accounting of all power, energy, and related credits and attributes purchased by the authority from such projects; and (v) an identification of all public entities, authority customers, and CCA communities to which the authority supplied, allocated or sold any power, energy or related credits or attributes.

(g) For purposes of this subdivision, the following terms shall have the meanings indicated in this paragraph unless the context indicates another meaning or intent:

(i) "Authority customer" means an entity located in the state to which the authority sells or is under contract to sell power or energy under the authority in this title or any other law.

(ii) "CCA community" means one or more municipal corporations located within the state that have provided for the purchase of power, energy, or related credits or other attributes under a CCA program.

(iii) "CCA program" means a community choice aggregation program approved by the public service commission.

(iv) "Public entity" has the meaning ascribed to that term by subparagraph five of paragraph (b) of subdivision seventeen of this section.

(v) "Renewable energy resources" means solar power, wind power, hydroelectric, and any other generation resource authorized by any renewable energy standard adopted by the state for the purpose of implementing any state clean energy standard.

(vi) "Renewable energy generating project" means a project that generates power and energy by means of renewable energy resources, or that stores and supplies power and energy generated by means of renewable energy resources, and includes the construction, installation and/or operation of ancillary facilities or equipment done in connection with any such renewable energy generating projects, provided, however, that such term shall not include the authority's Saint Lawrence hydroelectric project or Niagara hydroelectric project.

(vii) "State" means the state of New York.