



**MINUTES OF THE JOINT MEETING
OF THE FINANCE COMMITTEE
January 21, 2025**

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Minutes of the joint meeting of the New York Power Authority and Canal Corporation's Finance Committee held via videoconference at approximately 8:30 a.m.

Members of the Finance Committee present were:

John Koelmel - Chair
Dennis Trainor
Bethaida González
Michael Cusick
Cecily Morris
Laurie Wheelock
Lewis M. Warren, Jr.

Also, in attendance were:

Justin E. Driscoll	President and Chief Executive Officer
Adam Barsky	Executive Vice President and Chief Financial Officer
Joseph Kessler	Executive Vice President and Chief Operating Officer
Daniella Piper	Executive Vice President and Chief Innovation Officer
Lori Alesio	Executive Vice President and General Counsel – Legal Affairs
Yves Noel	Senior Vice President and Chief Strategy Officer
Robert Piascik	Senior Vice President and Chief Information & Technology Officer
Alexis Harley	Senior Vice President and Chief Risk and Resiliency Officer
John Canale	Senior Vice President – Strategic Supply Management
Karina Saslow	Senior Vice President – Human Resources
Charles Imohiosen	Senior Vice President – Communications and External Affairs
John Canale	Senior Vice President – Strategic Supply Management
Maribel Cruz Brown	Senior Vice President – Customer Solutions
Patricia Lombardi	Senior Vice President – Project Delivery
Saul Rojas	Senior Vice President – Transmission
Scott Tetenman	Senior Vice President – Finance
Salman Ali	Senior Vice President – Internal Audit
Carley Hume	Senior Vice President – Public and Regulatory Affairs
David Mellen	Regional Manager and Senior Vice President - Canals
Victor Costanza	Vice President and Chief Information Security Officer
Girish Behal	Vice President – Project and Business Development
Timothy Poe	Vice President – Project and Construction Management
Karen Delince	Vice President and Corporate Secretary
Peter Casper	Assistant General Counsel – Relicensing & Implementation
Carl Patka	Assistant General Counsel – Commercial Operations
Debra Hopke	Assistant General Counsel – Contracts, Licensing & Environmental
James Levine	Assistant General Counsel – Finance and Bonds
Steven Damsky	Senior Director – Business Value Optimization
Robert Daly	Director – Licensing
Christopher Vitale	Director – Projects - Business Services
Michael Doyle	Program Director – Project Management - Generation NNY
Adam Jacoby	Program Director – Project Management - Infrastructure
Sandra Bleckman	Workforce Development Project Director - Legal Affairs
Christine Prendergast	Senior Manager – Contingent Workforce Program
Tara Groom	Licensing Manager
Joshua Cortes	Deputy Chief of Staff, Executive Office
Sheila Quatrocci	Senior Associate Corporate Secretary
Michele Stockwell	Senior Assistant Corporate Secretary

Chair John Koelmel presided over the meeting. Corporate Secretary Delince kept the Minutes.

Introduction

Chair John Koelmel welcomed committee members and the Authority's senior staff to the meeting. He said that the meeting has been duly noticed as required by New York State's Open Meetings Law and called the meeting to order pursuant to Section B(4) of the Finance Committee Charter.

1. Adoption of the January 21, 2025, Proposed Meeting Agenda

On motion made by member Dennis Trainor and seconded by member Lewis Warren, Jr., the agenda for the meeting was adopted,

Conflicts of Interest

Chair Koelmel and members Trainor, Morris, Wheelock, Warren and Cusick declared no conflicts of interest based on the list of entities previously provided for their review.

2. Motion to Conduct an Executive Session

On motion made by member Dennis Trainor and seconded by member Lewis Warren, Jr., an Executive Session was held to discuss the financial and credit history of a particular corporation pursuant to §105(f) of the New York State Public Officers Law.

3. Motion to Resume Meeting in Open Session

On motion made by member Dennis Trainor and seconded by member Lewis Warren, Jr., the meeting resumed in Open Session.

4. DISCUSSION AGENDA:

a. Financial Operations

i. Chief Financial Officer's Report

Mr. Adam Barsky, Executive Vice President and Chief Financial Officer, provided an update on the report to the members. He said that the Authority's operations are in line with the budget projections.

2024 Preliminary Year-End Results

Net Income target for the year is \$155 million. For the month of December, the Authority closed below the budget projections. However, because of the hedging strategies in place, the Authority's operations were solid with strong transmission and generation revenues even though prices were lower. He added that the Net Income of \$155 million also represents the Authority's best year since the takeover of the Canal Corporation in 2017.

Mr. Barsky ended that the trend, going forward, is very positive and in keeping with the Authority's Long-Term Plan.

ii. **Project Luminate (NextGen ERP – Finance Portion) - Contract Award**

Mr. Adam Barsky introduced Mr. Steven Damsky, Senior Director of Business Value Optimization, to the members. He said that Mr. Damsky would provide information on SAP, which represents the Finance portion of Project Luminate. The Human Capital Management and Procurement portions are still being negotiated. The members will receive a report on those portions in March.

Mr. Damsky said that, as previously reported, the Authority's SAP system will be obsolete in 2027 and the Luminate Project will replace and modernize that system. Proposals for the new system were issued on May 1st. Ten proposals were received and evaluated, functionally, across the Finance department and Support Services. The winning bidder is SAP America. With the assistance of Strategic Supply Management ("SSM"), the team was able to receive a final bid of 61% off-list and a guaranteed price for seven years with no escalations over the course of the seven years.

To support the project, the Authority would also like to award a contract to Deloitte Consulting, LLP ("Deloitte"), as the implementation partner, at the negotiated 17% off their 2023 rates, with no escalation from year to year.

This project will be the implementation of a new, modernized meter-to-cash process whereby the Authority will be able to use more tools, including IA, to automate the billing process, and remove the manual processes currently in place for its data integrations.

Staff are requesting that two contracts be awarded to Deloitte. In March, the team will be requesting the members' approval of the Human Capital Management (HCM) components which are currently in the final phase of bid negotiations. There are also additional incentives with Deloitte, approximately \$2M. The SSM component for source to contract will be forthcoming.

On motion made by member Lewis Warren, Jr., and seconded by member Dennis Trainor, the following resolution, as recommended by the President and Chief Executive Officer, was unanimously adopted.

RESOLVED, that the Finance Committee hereby recommends that the New York Power Authority Board of Trustees, pursuant to the Guidelines for Procurement Contracts adopted by the Authority and the Authority's Expenditure Authorization Procedures, authorizes the award of the following two contracts for the finance portion of Project Luminate to automate the Authority's billing process:

- 7-year Software contract in the amount of \$22,158,333 to SAP Public Services
- 3-year Services contract in the amount of \$31,389,564 to Deloitte Consulting LLP

and be it further

RESOLVED, that the Finance Committee recommends that the Trustees approve the Authority's use of Capital Funds, which may include proceeds of debt issuances, to finance the costs of the Project; and be it further

RESOLVED, that the Finance Committee recommends that the Trustees declare in accordance with Treasury Regulation Section 1.150-2, the Authority's official intent to finance as follows: The Authority intends to reimburse to the maximum extent permitted by law with the proceeds of tax-exempt obligations to

be issued by the Authority, all expenditures made and which may be made in accordance with the Project described in the report of the President and Chief Executive Officer; and be it further

RESOLVED that the Chair, the President and Chief Executive Officer, and all other officers of the Authority be, and each of them hereby is, authorized on behalf of the Authority and Canal Corporation 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.

b. Utility Operations

i. Stewart Ave-Uniondale Hub (Formerly East Garden City Substation) Upgrade – Contract Award

Mr. Timothy Poe, Vice President – Project and Construction Management, provided highlights of staff's recommendation to the members. He said that staff is requesting that the Finance Committee recommend that the NYPA/Canals Boards approve a six-year contract award to Elecnor Hawkeye of Hauppauge, New York, in the amount of \$155 million, for the Stewart Avenue-Uniondale Hub Substation Upgrade, formally East Garden City Substation Upgrade, project. He said that the selection of the Propel New York project by the New York Independent System Operator ("NYISO") to satisfy the Long Island Offshore Wind Export Public Policy Transmission Need, identified the need to upgrade NYPA's existing East Garden City Substation.

As the transmission owner of the East Garden City substation, NYPA exercised its Right of First Refusal to complete the necessary upgrades. The scope of the contract is for the design, permitting, furnishing and construction of a new 345kV switchyard adjacent to the Authority's existing East Garden City 345kV substation.

Engineering and permitting activities to support the development of the Article 7 Amendment application was initiated in December through an interim approval. Construction is expected to commence in 2026 and proceed to the end of 2028 to meet the energization and commitment date of May 2029. Funding for the project is included in the long-range work plan. A request for proposals was issued in August 2024; Six Engineering, Procurement and Construction (EPC) proposals were received in October. Following an extensive evaluation process, the Evaluation Committee recommends a contract award to Hawkeye in the amount of \$155 million for a six-year term. The company's proposal complies with the RFP's Supplier Diversity goals - M/WBE (15%); SDVOB (3%).

On motion made by member Dennis Trainor and seconded by member Cecily Morris, the following resolution, as recommended by the President and Chief Executive Officer, was unanimously adopted.

RESOLVED, that the Finance Committee recommends that the Trustees approve, pursuant to the Guidelines for Procurement Contracts adopted by the Authority and the Authority's Expenditure Authorization Procedures, the award of a six-year engineering, procurement, and construction services contract to Elecnor Hawkeye LLC located in Hauppauge, New York, in the amount of \$155 million to implement the Stewart Avenue-Uniondale Hub Substation Upgrade Project; and be it further

RESOLVED, that the Finance Committee recommends that the Trustees approve the Authority's use of Capital Funds, which may include proceeds of debt issuances, to finance the costs of projects; and be it further

RESOLVED, that the Finance Committee recommends that the Trustees declare in accordance with Treasury Regulation Section 1.150-2, the Authority's official intent to finance as follows: The Authority intends to reimburse to the maximum extent permitted by law with the proceeds of tax-exempt obligations to be issued by the Authority, all expenditures made and which may be made in accordance with the Project described in the report of the President and Chief Executive Officer; and be it further

RESOLVED that the Chair, the President and Chief Executive Officer, and all other officers of the Authority be, and each of them hereby is, authorized on behalf of the Authority and Canal Corporation 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.

c. NYPA Development

i. Propel NY Energy Project Capital Expenditure Authorization Request

Mr. Girish Behal, Vice President of Project and Business Development, provided highlights of staff's recommendation to the members. He said that staff is requesting that the Finance Committee recommend that the NYPA/Canals Boards approve authorization for the release of \$100 million from the \$500 million authorized for the Propel NY Project.

He continued that the project was selected as a part of the Long Island Public Policy Transmission Need to improve the connectivity of Long Island to the statewide grid to support its growth and reliability in the area. The project consists of 90 miles of underground transmission of 345kV, and several new substations. The Authority is partnering with Transco on this project.

In July 2024, the Authority submitted an Article 7 application for the project. The application is still under review by the Department of Public Services. The Authority is continuing with the project design. At the same time, they have moved forward with Transco on the procurement of long-lead materials and equipment, primarily, cables and auto transformers, and shunt reactors.

The Authority received approvals from FERC on its rate and abandonment incentive. The funding request is primarily to make sure that the Authority continues to fund the project on schedule, pursuant to the investment being made by TransCo.

On motion made by member Dennis Trainor and seconded by member Michael Cusick, the following resolution, as recommended by the President and Chief Executive Officer, was unanimously adopted.

RESOLVED, that the Finance Committee recommends that the Board of Trustees, pursuant to the Authority's Capital Planning and Budgeting Procedures, approve an additional release of authorized funds for capital expenditures in the amount of \$100 million (in addition to the previously approved release of \$50 million) for a total released amount to date of \$150 million, and confirms the limit of the total authorized amount of up to \$500 million for the Propel NY Project, as recommended in the report of the President and Chief Executive Officer; and be it further

RESOLVED, that the Finance Committee recommends that the Authority use Capital Funds, which may include proceeds of debt issuances, to finance the costs of this Project; and be it further

RESOLVED, that the Finance Committee recommends that the Trustees declare in accordance with Treasury Regulation Section 1.150-2, the Authority's official intent to finance as follows: The Authority intends to reimburse to the maximum extent permitted by law with the proceeds of tax-exempt obligations to be issued by the Authority, all expenditures made and which may be made in accordance with the projects described in the report of the President and Chief Executive Officer; and be it further

RESOLVED that the Chair, the President and Chief Executive Officer, and all other officers of the Authority be, and each of them hereby is, authorized on behalf of the Authority and Canal Corporation 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.

d. Legal Affairs

i. Workforce Development – Grant Funding Request

Ms. Sandra Bleckman, Workforce Development Project Director, provided highlights of staff's recommendation to the members. She said that staff is requesting approval for the recommendation of a grant in the amount of \$400,000 for the Energy Storage and Microgrid Training and Certification Program, ("ESAMTAC"), a non-profit national training and certification program developed in 2017 as part of the Authority's Clean Energy Workforce training initiative. To date, the Authority has awarded \$2.65 million under this initiative.

She continued that ESAMTAC is supported by industry contributions and the National Science Foundation. It is an educational training program and credential that prepares electrical contractors and workers for the safe and effective assembly, testing, commissioning, maintenance, repair, retrofitting and decommissioning of energy storage and microgrid systems. She added that Mr. David Heraldo and the students from the Renaissance Technical Institute have indicated that this funding not only builds a pipeline of workers for the industry but also provides individuals with the ability to achieve economic mobility. The funds are critical to help remove barriers and allow individuals to achieve success.

In May 2023, NYPA granted ESAMTAC \$75,000 for Phase 1 of the project. It included the development of a VR demonstration video which was successfully completed. The VR demonstration video is a five-minute summary example of how the ESAMTAC physical training laboratory can be transformed into a virtual reality training laboratory experience.

She further continued that this request is for Phase 2 of the project. The funds will support the development of a VR learning experience that will be aligned with the ESAMTAC module learning objectives and curriculum. The VR activities will be integrated with the existing lecture videos and learning materials, creating a cohesive and engaging learning experience.

The program will transform traditional "hands-on" lab activities and lower the cost to students through broadly accessible immersive interactive VR experiences, enhancing outcomes and ensuring consistent, high-quality training across the industry. The grant will support the planning, production, Beta testing, and launch of the VR Lab Workforce Training Program. The Beta testing will involve 30 individuals. There will be a combination of Journey-level electricians and

advanced apprentices who have completed a minimum of 8,000 hours of electrical construction experience. ESAMTAC will focus solely on New York state for the Beta testing and will open the opportunity to NYPA employees to be a part of the Beta testing. After the training is finalized, it will initially be introduced and available exclusively to New York State.

Ms. Bleckman ended that, if approved, the total funds for Workforce Training Development, to date, would be \$21.05 million.

Following discussions, it was agreed that the members would be provided with additional information regarding the VR learning experience prior to the January 28, 2025 Board meeting.

On motion made by member Dennis Trainor and seconded by member Lewis Warren, Jr., the following resolution, as recommended by the President and Chief Executive Officer, was unanimously adopted.

RESOLVED, that the Finance Committee recommends that the Authority's Board of Trustees approve funding of Workforce Development initiative for a total of \$400,000 for the Energy Storage And Microgrid Training And Certification Workforce Training initiative; and be it further

RESOLVED, that the Finance Committee recommends that the New York Power Authority Board of Trustees affirm that amounts presently set aside as reserves in the Operating Fund are adequate for the purposes specified in Section 503.2 of the Authority's General Resolution Authorizing Revenue Obligations, dated February 24, 1998, as amended and supplemented (the "General Bond Resolution"), that the aggregate amount of \$400,000 in funding as described in the report of the President and Chief Executive Officer is not needed for any of the purposes specified in Section 503.1(a)-(c) of the General Bond Resolution and that the release of such amount is feasible and advisable; and be it further

RESOLVED, that the Finance Committee recommends that the New York Power Authority Board of Trustees affirm that as a condition to making the payments specified in the foregoing report, on the day of such payments, either the Executive Vice President and Chief Financial Officer or the Treasurer shall certify that such monies are not then needed for any of the purposes specified in Section 503.1(a)-(c) of the General Bond Resolution; and be it further

RESOLVED, that the Chair, the President and Chief Executive Officer, and all other officers of the Authority be, and each of them hereby is, authorized on behalf of the Authority and Canal Corporation 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.

5. CONSENT AGENDA:

On motion made by member Dennis Trainor and seconded by member Lewis Warren, Jr., the Consent Agenda and the following resolutions as recommended by the President and Chief Executive Officer, were adopted.

a. Financial Operations

i. Employer of Record Services – Contract Award

RESOLVED, that the Finance Committee recommends that the Trustees approve, pursuant to the Guidelines for Procurement Contracts adopted by the Authority and the Authority's Expenditure Authorization Procedures, the award of a three-year contract for Employer of Record Services to each of the awardees identified below with a cumulative value in the amount of \$12 million:

- ALLSOURCEPPS, INC.
- Eclaro International, Inc.
- Forum Personnel INC d/b/a The Forum Group
- Trigyn Technologies, Inc.

and be it further

RESOLVED, that the funds for these contracts are captured in the Authority's 2025 Budget and 2025-2028 Financial Plan; and be it further

RESOLVED, that the Chair, the President and Chief Executive Officer, and all other officers of the Authority be, and each of them hereby is, authorized on behalf of the Authority and Canal Corporation 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.

b. Legal Affairs

i. Acceptance of the New Operating License for Gregory B. Jarvis Power Project and Capital Expenditure Authorization Request for License Compliance and Implementation of Settlement Agreement

RESOLVED, that the Finance Committee recommends that the Trustees approve capital expenditures of \$7.4 million for implementation of, and compliance with, the new license issued by the Federal Energy Regulatory Commission for the Gregory B. Jarvis Power Project (FERC Project No. 3211), as well as the settlement agreement associated therewith; and be it further

RESOLVED, that the Chair, the President and Chief Executive Officer, and all other officers of the Authority be, and each of them hereby is, authorized on behalf of the Authority and Canal Corporation 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.

c. Utility Operations

i. Right-of-Way Vegetation Management Recommendation for Award

RESOLVED, that the Finance Committee recommends that the Trustees approve, pursuant to the Guidelines for Procurement Contracts adopted by the

Authority and the Authority's Expenditure Authorization Procedures, the award of a five-year contract for Right of Way Vegetation Management to Lewis Tree Service, Inc. of West Henrietta, New York in the amount of \$15 million; and be it further

RESOLVED, that the Finance Committee recommends that the Authority approve the use of Capital Funds, which may include proceeds of debt issuances, to finance the costs of projects; and be it further

RESOLVED, that the Finance Committee recommends that the Trustees declare in accordance with Treasury Regulation Section 1.150-2, the Authority's official intent to finance as follows: The Authority intends to reimburse to the maximum extent permitted by law with the proceeds of tax-exempt obligations to be issued by the Authority, all expenditures made and which may be made as described in the report of the President and Chief Executive Officer; and be it further

RESOLVED, that the Chair, the President and Chief Executive Officer, and all other officers of the Authority be, and each of them hereby is, authorized on behalf of the Authority and Canal Corporation 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.

d. Governance

i. Approval of the Minutes of the Joint Meeting held on November 13, 2024

On motion made and seconded the Minutes of the joint meeting held on November 13, 2024, were unanimously adopted.

6. Next Meeting

Chair John Koelmel stated that the next regular meeting of the Finance Committee will be held on Tuesday, March 18, 2025.

Closing

On a motion made by Member Dennis Trainor and seconded by Member Lewis Warren, Jr., the meeting was adjourned at approximately 10:09 a.m.



Karen Delince
Corporate Secretary