



**MINUTES OF THE JOINT MEETING  
OF THE  
POWER AUTHORITY OF THE STATE OF NEW YORK AND  
NEW YORK STATE CANAL CORPORATION**

**February 6, 2024**

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Minutes of the Joint Meeting of the New York Power Authority's Board of Trustees and Canal Corporation's Board of Directors held at the New York Power Authority's White Plains office at approximately 8:40 a.m.

**Members of the Board present were:**

John R. Koelmel, Chairman  
Dennis T. Trainor  
Bethaida González  
Laurie Wheelock  
Lewis M. Warren, Jr.  
Cecily Morris  
Michael Cusick

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|                    |  |
|--------------------|--|
| Justin Driscoll    | President and Chief Executive Officer                          |
| Philip Toia        | President – NYPA Development                                   |
| Lori Alesio        | Interim Executive Vice President and General Counsel           |
| Adam Barsky        | Executive Vice President and Chief Financial Officer           |
| Joseph Kessler     | Executive Vice President and Chief Operating Officer           |
| Daniella Piper     | Executive Vice President & Chief of Innovation                 |
| Yves Noel          | Senior Vice President and Chief Strategy Officer               |
| Robert Piascik     | Senior Vice President – Chief Information & Technology Officer |
| Karina Saslow      | Interim Vice President- Human Resources                        |
| Charles Imohosien  | Senior Vice President-Communications and External Affairs      |
| David Mellen       | Regional Manager and Senior Vice President                     |
| Patricia Lombardi  | Senior Vice President- Project Delivery                        |
| Keith Hayes        | Senior Vice President and Senior Advisor                       |
| Maribel Cruz       | Senior Vice President – Clean Energy Solutions                 |
| John Canale        | Senior Vice President – Strategic Supply Management            |
| Joseph Leary       | Senior Vice President – Community & Government Relations       |
| Karen Delince      | Vice President and Corporate Secretary                         |
| Joseph Gryzlo      | Vice President and Chief Ethics & Compliance Officer           |
| Kaela Mainsah      | Vice President-Environmental Justice                           |
| Andrew Boulais     | Vice President-Project & Construction Management               |
| Mario Roefaro      | Vice President Community & Government Relations                |
| Andrea Luongo      | Vice President Canals Infrastructure Project Delivery          |
| Victor Costanza    | Interim Chief Information Security Officer                     |
| Thomas Spencer     | Senior Director-Enterprise & Operational Risk                  |
| Dennis Chang       | Senior Director-Energy, Portfolio Management                   |
| Earl Faunlagui     | Senior Director-Market & Commodities Risk                      |
| Lawrence Mallory   | Senior Director-Security & Crisis Management                   |
| Ana Stachowiak     | Senior Program Director-Projects Development                   |
| Jesse Scott        | Canals Strategic Project Director                              |
| Christopher Vitale | Director Projects  |
| Eric Firnstein     | Director Labor Relations                                       |
| Alexander DeRosa   | Manager, Environmental Justice                                 |
| Mathew Caruso      | Manager, Environmental Justice                                 |
| Lorna Johnson      | Senior Associate Corporate Secretary                           |
| Sheila Quatrocci   | Senior Associate Corporate Secretary                           |
| Michele Stockwell  | Senior Assistant Corporate Secretary                           |

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

## **Introduction**

Chair John Koelmel welcomed the Trustees/Directors and NYPA and Canal staff members who were present at the meeting. He said that the meeting had been duly noticed as required by the Open Meetings Law and called the meeting to order pursuant to the Authority's Bylaws, Article III, Section 3.

### **1. Adoption of the February 6, 2024 Proposed Meeting Agenda**

On motion made by Trustee Bethaida González and seconded by Trustee Lewis Warren, Jr., the members adopted the meeting Agenda.

## **Conflicts of Interest**

*Chair Koelmel and members Trainor, González, Wheelock, Morris, 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**

***“Mr. Chairman, I move that the NYPA and Canal Boards conduct an executive session to discuss the financial and credit history of a particular corporation, pursuant to §105 of the Public Officers Law.”***

On a motion made by member Laurie Wheelock and seconded by member Cecily Morris, the members conducted an Executive Session.

### **3. Motion to Resume Meeting in Open Session**

***“Mr. Chairman, I move to resume the meeting in Open Session.”***

On a motion made by member Michael Cusick and seconded by member Laurie Wheelock, the meeting resumed in open session. Chairman Koelmel said that no votes were taken during the Executive Session.

Chairman Koelmel stated that year's end is an opportune time to look back on all that has been accomplished and the responsibilities, challenges, and opportunities ahead for NYPA and Canals in 2024. He continued that as the members navigate through its focus, a combination of strategic risk management and operational oversight will be reported by President Justin Driscoll. As to the broader view of the organization, Yves Noel will report on the strategic efforts and Alexis Harley, recently hired as the Chief Risk and Resiliency Officer, will share some reflections and perspective on risk management. In addition, Eric Meyers will provide a cyber security update, Joseph Kessler, on the operational challenges, and Adam Barsky, as to how it impacts financial performance and, more importantly, opportunities to fund and finance the Authority's incremental responsibilities; this will be followed by the committee reports. He then invited President and Chief Executive Officer, Justin Driscoll, to provide his report to the members.

## **4. Discussion Agenda**

### **a. Strategic Initiatives**

#### **i. President and Chief Executive Officer's Report**

President and Chief Executive Officer Justin Driscoll provided highlights of the report to the members.

President Driscoll stated that he would first like to introduce to the Board and the management team, the Authority's new Senior Vice President of Communications and External Affairs, Charles Imohaisen. He said that Charles brings an impressive and diverse background of operational and legal experience across public and private sectors, including in the energy space. He served in senior roles in the US Environmental Protection Agency, the White House Hurricane Sandy Rebuilding Task Force, and Empire State Development Corporation. He continued that Charles will be responsible for developing, leading, and directing NYPA's internal and external engagement strategy and to build and maintain relationships with government officials and communities across the state. Additionally, he will lead the development and implementation of strategies to ensure that NYPA's narrations support its mission, vision, values, and strategy with the goal of achieving positive responses among external and internal constituents.

President Driscoll added that the Authority's new Chief Risk and Resiliency Officer, Alexis Harley, will provide a deep dive into the Authority's risk and resilience activities since he wanted to inform the members early in 2024 how important risk and resilience is to NYPA's overall operations and success.

#### **2024 State of the State Address (SOTS) and FY25 Executive Budget**

President Driscoll stated that on January 9, Governor Hochul presented the 2024 State of the State Address and NYPA remains fundamentally aligned with the Governor's energy and environmental agenda. He said that NYPA is leaning-in, in support of the state's transition to a clean energy economy. He added that he will be testifying before the Joint Legislative Budget hearings on the 2024 Environmental Conservation Budget where he will share some of the details of work that NYPA is performing at the Canal Corporation with the members of the Senate and the Assembly.

#### **Energy in SOTS and the Executive Budget**

President Driscoll said that the key themes continue to be energy affordability, and resiliency and preparedness. The key proposals include the Renewable Action Through Project Interconnection and Deployment (RAPID) Act which will create a one-stop shop for project siting for both renewable energy and transmission facilities, which will be housed at the Office of Renewable Energy and Siting ("ORES"). This will enable the permitting process to be faster and more streamlined.

#### **Grid of the Future Proceeding**

The DPS will be launching the Grid of the Future Proceeding. By year's end, a plan for investments to build out an affordable, resilient, and clean grid will be developed. This initiative will have significant implications as to NYPA's role in the future energy system. To that end, NYPA will partner with DPS to align its plan with NYPA's Renewable Strategic Plan which is due at the end of January 2025.

#### **Statewide Solar for All**

Statewide Solar for All is an innovative program that will combine two existing successful state programs, the Utility Managed Energy Affordability Program and the Community Solar Program, to efficiently deliver Clean Energy savings to low-income households. This new program will deliver an electric bill credit of up to \$40 per year to more than 800,000 households.

NYPA aims to align the state's Solar for All Program with its REACH Program, a petition for which was recently filed with the PSC. The PSC will develop the guidelines on how the project will be launched and how the bill credits will be delivered to communities.

## **NYPA's Alignment with State Energy Priorities**

### **Energy Affordability**

The New York grid, today and in the fully renewable future, will rely largely on NYPA's low-cost hydropower assets. To that end, NYPA continues to fund projects such as NextGen Niagara to make sure that the foundation of the new, renewable future will continue to be effective and more efficient based on the projects that the Authority is developing.

In addition, NYPA is supporting the affordability of New York's energy system through investments in transmission, which spending will ultimately produce ratepayer benefits since those projects will be relieving congestion on the system. An example is the recent energization of the Central East Energy Connect Project which was specifically designed to relieve congestion in the most congested area on the entire grid in the state. This project will also produce direct rate-payer benefits through less congestion on the system.

### **Resiliency and Preparedness**

As it relates to resilience and preparedness, NYPA's generation and transmission serves as a foundation of the 21st century grid, and its investments in those assets protect them for future generations of New Yorkers.

In addition to its current assets, NYPA is also investing in energy storage through its North Country Energy Storage Project, a 20-megawatt Battery Storage Project that was recently put online. This is also the first state-owned bulk battery on the system and at the Authority's customer sites.

### **Canal Corporation ("Canals") – SOTS and the Executive Budget**

As it relates to the canal system, the Governor proposed \$50 million to be included in the State budget for Canals' infrastructure.

The Canals have significant infrastructure needs. To that end, the Authority increased its contribution to the canal system to meet its more than \$140 million in annual expenditures to keep up with the work that the canal system requires in order to keep it safe for the next 100 years.

Canals will be celebrating its 200th anniversary next year with the World Canals Conference to be held in Buffalo.

Going forward, the Authority will focus on keeping the canal system safe and secure for the communities that rely on it.

### **EXPANDED AUTHORITY UPDATE**

Task forces were created to drive execution towards the goals and timeline laid out in the statute as it relates to expanded authority.

### **NYPA Renewables**

The Authority is actively seeking land, both state and other owners, to preserve its optionality and ability to build projects after completion of its Strategic Planning process. To that end, the Authority issued an RFI for private sector interest for potential partnerships or collaborations on projects. The Authority received more than 100 inquiries from the private sector which included approximately 40 submissions on ideas that NYPA may be able to pursue with the private sector and be able to deliver on the charge from the Governor and the Legislature.

## **REACH Program**

NYPA recently filed a petition with the Public Service Commission to establish the guardrails for the REACH program which requires the Bill credits to the disadvantaged communities to be “sleeved” through the local utility bill so that revenues that NYPA produce from the REACH projects will ultimately be credited to the bills of the disadvantaged communities. The infrastructure on how the program will work is currently before the Public Service Commission, as the regulator of utilities such as Con Edison and National Grid and will be established following the guidelines of the State Administrative Procedure Act.

## **Peaker Decarbonization**

Peaker Plants were designed to run on the hottest days when the system needs additional capacity in order to meet an increase in energy usage or load. In 2001, NYPA was requested to build eleven peaking sites because it was anticipated that the NYISO and Con Edison would experience shortages in the coming year. To that end, NYPA built 11 peaker units at 6 sites in a one-year period in order to make sure that the grid was stable the following year. Those plants continue to operate. The Expanded Authority Bill calls for NYPA to retire those plants by 2030. The Authority is working on, among other things, identifying which plants are the likely candidates for battery storage and which will be able to be retired before 2030.

## **Decarbonization Leaders (DL15)**

As it relates to decarbonization, the Legislation called for NYPA to develop Energy Master Plans for 15 of the largest state emitting facilities. To that end, the Authority developed Energy Master Plans for affected facilities, giving them a pathway forward for the decarbonization of their sites.

## **Workforce Training**

The State Budget calls for NYPA to contribute \$25 million annually for workforce training related to the transition of the workforce to the Clean Energy Workforce of the future. NYPA is enabling this through its own workforce in addition to the Northland Workforce Training Center in Buffalo, PTECH Internship Program and support of the NYCHA Clean Energy Academy. NYPA is planning to accelerate the program with an additional \$25 million and is currently working with the Department of Labor to develop programs and services with DOL for the transition to the Clean Energy Workforce of the future.

### **b. Utility Operations**

#### **i. Chief Operating Officer’s Report**

Mr. Joseph Kessler, Executive Vice President and Chief Operations Officer, provided highlights of the report to the members.

#### **Asset Management Maturity Assessment & Roadmap**

The VISION2020 Strategy sought to incorporate the Authority’s best practices of asset management and reliability. To that end, Utility Operations leveraged the ISO 55001 Standards in more than 39 key areas of operation to meet the changing needs of the Authority’s VISION2030 Strategy and the Expanded Authority. The Authority was the first utility in North America to receive the ISO 55001 Certification and has twice passed an audit on the standards. Utility Operations continues to work with Internal Audits to ensure that its operations continue to meet the standards.



**Next Steps:**  
**VISION2030 - Optimizing Hydro Operations**

**Digitization**

The Integrated Smart Operating System, a software used to merge large numbers of data, provided additional insights and visualization of the Authority's large hydro units, coordinating sensor data analysis, and understanding and widening their operating range.

**Industry-leading Testing**

Managing water effectively is key to optimizing operations of the hydro plants. Online turbine strain testing further optimizes the units' performance.

**Unmanned Aerial System (UAS) Drone Program**

The Authority has a five-year Drone Program, with a robust platform on mission management. The program aims to enhance the Authority's ability to safely conduct inspections and collect valuable data from its assets using Drones.

2023 Completed tasks:

- More than 756 Drone missions on the Authority's assets
- Mission Management Software implementation to manage missions and central reporting with GIS overlays
- STEM Outreach Programs

2024 Upcoming Tasks:

- Media Hub platform implementation for Drone media/data collection
- Apply AI/ML processing for drone images for defect detection
- Enhancement to Mission Management software
- Counter UAS Programs/Deployment

**Industry Collaboration**

NYPA partners with several agencies and organizations to contribute to, and learn from, in order to create research opportunities and understand the Authority's assets.

**Hydropower Research Institute (HRI)**

Most of the hydro plants that the Authority operate are "one-off" units. Therefore, it is hard to aggregate enough data to make sound decisions about degradation of turbine wheels or other equipment. With industry collaboration, the Authority can anonymize data and also be a part of special projects with other utilities where the engineers determine solutions.

**Institute of Asset Management (IAM)**

The Authority is actively involved with organizations that are going to leverage the technologies it needs in the future as it relates to digitization.

**MUWG and CanMUG**

Organizations such as MUWG and CanMUG are maintenance user groups that the Authority can interact with and share learnings on asset management.

**Next Generation Niagara**

As part of its capital improvement, NYPA is in the process of optimizing its hydro fleet. The Next Generation Niagara project is an initiative to modernize and digitize plant operations and controls, extending the operating life of critical plant assets at the Robert Moses Power Plant.

**2024 Upcoming Tasks:**

- Unit 6 overhaul scheduled to be completed
- Sator Replacement Contract Award
- Penstock Inspection Platform delivery
- Gantry Crane design completion

**Transmission LEM**

The Transmission Life Extension and Modernization capital program to upgrade substation equipment throughout Northern, Western, and Central New York regions is in progress. This includes work at the 765 kV switchyard in Massena; Breakers at Robert Moses Dam; and Bay 26 Breakers on Auto Transformer 5 in Western New York.

**2024 Upcoming Tasks:**

- NNY: 765kV Breakers at Massena; 230kV Breakers at RMPD
- WNY: Bay 26 Breakers and AT-5
- CEC: Station Service Switchgear

The scope-of-work includes design, procurement, and construction to replace breakers, manual and motor-operated disconnect switches, autotransformers, relays, metering, and station service equipment.

**c. Financial Operations****i. Chief Financial Officer's Report**

Mr. Adam Barsky, Executive Vice President and Chief Financial Officer, provided highlights of the report to the members.

**Summary of Consolidated Statement of Net Position**

The Balance Sheet remains very strong as of the year-end 2023. The Authority's cash position and liquidity have improved and is still robust. Also, all lines of credit and availability under the Authority's borrowing programs met its needs.

**Accounts Receivable** were lower due to the decreases in energy prices.

**Assets in Service** – The Authority's VISION2030 goals aimed to increase transmission investment 3-5 times; to date, it has increased 2-1/2 times the size of the Authority's transmission footprint.

The initial net investment in transmission was approximately \$1B billion; it is now approximately \$2.3B, representing significant progress with regard to the Authority's transmission assets.

**Liabilities** – Liabilities (NYPA and SFP) continue to go down. NYPA's net equity has increased by the amount of its net income of \$132 million. The liabilities are down based on the defeasance done at the end of last year. NYPA's debt-to-equity ratio has lowered, a positive view by the rating agencies.

**Net Income** – In 2022, the Authority had an extraordinary amount of energy revenue based on the price spikes which were temporary, based on the invasion of Ukraine by Russia. In 2023, the Authority benefitted from the higher interest rates, based on its investment portfolio and additional income. This resulted in the same net result year-over-year, although the components were different. The Authority would like the operating income to remain steady and increase at a rate that is manageable to meet its budget plans.

## **Capital Portfolio Results**

### **Capital Performance**

In comparing the performance of the Authority's capital plan for the year 2023 to year 2022, it was slightly below the Budget Plan ("Plan") by approximately 22 percent. The Authority's average in any given year has always been approximately 17 percent; last year, it was 11 percent lower than the Plan. This was due mainly to reclassifications, some projects coming in under budget, and deliberate delays in projects that were of a lower priority in order to make room for other strategic initiatives. Nonetheless, overall, the Authority is operating in the range of its historical performance and will continue to work on meeting project completions according to the Plan.

The Smart Path and CEEC Projects were both completed under budget. The Y49 project was completed; and the Zone D Storage Project was also completed and put into service.

The Customer Energy Services teams accomplished approximately 95% of the 2023 budget plan, an indication that the Authority is delivering on its projects on time and meeting the needs of its customers.

### **Strategic Supply Management 2023 Accomplishments**

The Authority's contract spend on New York State businesses remains stable. Supplier Diversity Spend for Minority and Women-Owned Business Enterprises ("M/WBEs"), and Service-Disabled Veterans-Owned Businesses ("SDVOBs") increased significantly. Also, importantly, the spending that is done directly to those suppliers on a prime basis versus being a subcontractor also increased by 32% for both categories. This is directly related to the significant increase in outreach events by the Procurement team in the fields of engineering and architecture, construction, and information technology-targeted events, which outreach programs will continue.

The Authority is seeking other ways to assist M/WBE suppliers in reducing the insurance requirements, which, in some cases, are barriers to entry for those firms where they cannot meet the requirements on their own.

The Authority is also exploring ways to invigorate the supply management part of the business to make sure that it is achieving its goals. To that end, the Authority is reviewing a program to provide prompt payment for suppliers since some of them are experiencing financial difficulties, particularly with higher short-term borrowing interest rates.

## **d. Risk and Resiliency**

### **i. Chief Risk and Resiliency Officer's Report**

Ms. Alexis Harley, Senior Vice President and Chief and Resiliency Officer, said that that the team will be providing an update on the latest maturity assessment results; a review of the year-end snapshots for NYPA and Canals; the Hedging Program, Cyber Security, and Physical security.

### **Threats & Opportunities:**

#### **Enterprise & Operational Risk**

The Enterprise and Operational Risk team is focused on risk management and resiliency because the industry is evolving and at a rapid pace. To that end, they have established standards and processes that will assist in identifying and assessing uncertainties which will enable the team to make decisions and comprehend the trade-offs.

## **Market & Credit Risk**

The Authority's goal is to minimize negative impacts or threats and drive more positive benefits or opportunities. To that end, the team has an established set of risk-appetite levels or guardrails for different types of risks. They also scan the horizon for any developing issues, and the current level of risks are compared to these appetites in order to determine if the Authority is mitigating enough or over mitigating.

## **Enterprise Resilience**

Enterprise resiliency plans are in place to enable the Authority to bounce back from a "risk event."

## **Strategies, Initiatives and Goals:**

### **Risk and Resilience Lifecycle**

- The team follows a continuous lifecycle for risk and resiliency measurement and response which begins with the strategies and goals of the Authority's VISION2030 mission, delivering on the commitments and keeping them viable for the future.
- The risk landscape helps to inform on the strategies and any evolutionary refinement that may be necessary.
- The integrated approach to risk management and resiliency is supported by a robust governance and escalation structure and everyone has a role as outlined in the 3-line model, Business Units, Risk Management & Resilience, and Internal Audit which owns the management of risks and puts the controls in place while the Risk and Resilience team, in addition to other functions, advise and help to monitor the controls. This works within a robust framework of governance where the team can escalate issues up to NYPA executive management, the Risk and Resiliency Committee and the Trustees for their engagement and awareness.

### **Independent Assessment of Risk Management Maturity**

Based on assessments performed by a third-party, Ernst & Young (EY), the Authority's risk management maturity has progressed over three consecutive years and is above industry benchmarks. As a result of this progress, the Authority will now be shifting into a more continuous improvement mode in terms of its risk management and resiliency processes. Therefore, no major additions will be made to the Authority's programs, only enhancements that will help the Authority keep up with sound and evolving practices.

## **ii. Independent Assessment Key Observations**

Mr. Thomas Spencer, Senior Director of Enterprise and Operational Risk, provided a report on Independent Assessment of Risk Management Maturity. He said that Ernst & Young ("EY") was engaged for assessing the Authority's level of maturity and they identified some areas of advanced development potential enhancements.

He continued that some of the areas of advanced maturity include the risk governance and risk escalation practices. As it relates to the risk escalation practices at NYPA and Canals, the organization has a well-defined and formalized risk governance structure. Because of that structure, the organization can escalate the right risk to the right people, and at the right level and time, so that they can make risk-informed decisions. This ensures alignment with the Authority's risk appetite and enables the business units to manage risks and capture opportunities in a transparent manner.

As it relates to the potential areas of enhancement, a formalized risk champion network between the risk management team and the business units was developed. To that end, over the next several months, in collaboration with NYPA leadership, the team will explore different risk champion concepts and

ideas. The team also identified mitigation strategies with a focus on making sure that the highly medium-rated risk identified risk mitigation strategies mapped to the corresponding risk within the Risk Register. By working with the risk owners to document and track risk mitigation strategies, it will make it easier for the risk management team to make sure the risk mitigation strategies and plans are being completed, prioritized, and effective.

Mr. Spencer ended that the underlying message from the independent study that was done by EY was that there are no significant gaps in the current risk management program. The areas of enhancements are just adjustments to many of the processes and practices that the Authority already has in place through the existing efforts at NYPA and Canals.

### iii. **New York Power Authority and Canal Corporation Enterprise Risk Summary**

Mr. Thomas Spencer, Senior Director of Enterprise and Operational Risk, provided an update on the NYPA and Canals Enterprise Risk Summary for the period ending December 2023. He said that twice per year, the team provides the members with a report on the Authority's enterprise risk profiles so that the members will have better insights as to how the Authority's risks are changing over time. The team uses sources such as risk surveys, risk workshops, internal audit reports, and benchmarking to update the enterprise risk scores. This is done in the context of the risk appetite and risk management and controls environment.

#### **NYPA Enterprise Risk Snapshot – December 2023**

NYPA Enterprise Risk mitigations are keeping pace with dynamic risk environments.

The NYPA Enterprise Risk Portfolio is well-managed and ensures that the Authority is operating within the acceptable risk appetite range for those risks. Additionally, NYPA currently has no enterprise risks that exceeds its risk appetite and continues to focus on lessening its exposure.

NYPA mitigates risk by:

- Decreasing its exposure to commodity market price volatility through its comprehensive Hedging Program.
- Recertifying its ISO 55,000 Asset Management program which lessens critical infrastructure risks.
- Implementing a robust cybersecurity and physical security program to help limit threats from both external and internal bad actors.
- Working in conjunction with the Risk Management team to ensure that a strong risk management and controls environment is in place and operationalized; and
- Having a comprehensive Business Resiliency program in place that if a risk occurs, the Authority will be able to recover if a risk materializes.

Through continuous improvement processes, the risk team will evolve and keep pace with the ever-changing dynamic risk profile for NYPA enterprise-level risks.

## Canals Enterprise Risk Snapshot – December 2023

Canals Enterprise Risk Mitigation efforts are prioritized to meet top challenges.

In reviewing the Canals' risk portfolio, the team considered the age of the critical infrastructure assets, 200 years, and its open access to the public as a recreational opportunity and to help support the local communities. Canals is being appropriately managed given its resources. Currently, five Canals risk exceed the risk appetite, this includes the critical infrastructure and financial capacity risks.

### Critical Infrastructure

- A long-range planning group has been formalized and meets regularly to evaluate and triage the most "at risk" assets.
- Asset inspections have substantially increased, in some cases daily walking inspections of high-risk asset areas.
- Shared services programs are being leveraged to enhance dam safety and asset management.
- New equipment has been acquired that will enable the team to internally fabricate unique infrastructure parts that are no longer readily available given the age of some of the assets.

Regarding financial capacity the Risk the team is aggressively pursuing additional funding opportunities and alternative sources through the budget process, \$50 million. In addition, they are applying for local, state, and federal grants funding opportunities. A Canal funding working group has also been established to explore additional resources for capital.

In the short-term, the team is leveraging all available resources to triage and address those most at-risk assets to best limit the exposures. The corporation is challenged to keep pace with the needed critical infrastructure improvements to address ongoing risk concerns without additional funding. Despite those challenges, the NYPA and Canals risk teams continue with maximum efforts to reduce Canals' risk and sharpen its alignment with the risk appetite.

#### iv. Merchant Portfolio Hedging Program

Mr. Dennis Chang, Senior Director Fuel, Marketing and Operations, provided a report on the *value of hedging NYPA's Merchant Portfolio and status of Hedging Strategy* and Mr. Earl Faunlagui, Senior Director Market & Commodities Risk a report on the Authority's Credit Portfolio Energy Commodity Counterparties.

#### Value of Hedging NYPA's Merchant Portfolio

The hedging program for NYPA's Merchant Portfolio consists of the megawatts of power generated from the Authority's generation assets *that are not dedicated to any customer programs* and makes up about 20 percent of the entire generation volume. The remainder is allocated to the Authority's customer groups. *These megawatts are* sold directly into the energy market through the NYISO. This means that they are exposed to the price volatility risk of the general power markets.

The Hedging Program's strategy allows NYPA to bring its merchant gross margin to a more stable and predictable level. NYPA uses the programmatic hedging protocol strategy to execute hedges uniformly over time. The Trustees had authorized the Executive Risk and Resilience Management Committee ("ERRMC") to allow NYPA's hedging team four-year terms for hedges. The team adheres to those guidelines when accumulating hedge positions using the programmatic approach, in advance to the

delivery date, and strives to achieve a percentage target for each of those outer years when using the program.

The pandemic, the war in Ukraine, and varying weather patterns across all seasons have impacted the volatility of power prices. Over the past five years, the hedging strategy *has allowed merchant margin* to be within a closer range to the financial targets set for budget certainty purposes. Therefore, the hedging strategy is working for the Authority's objective of reaching its financial targets.

Throughout the process of execution, the team will closely monitor customer-load obligations, as it may fluctuate over time and potentially impact NYPA's merchant megawatts, effectively impacting the percentage of hedges in place.

The team also works closely with the Senior Director Market & Commodities Risk to explore different trade instruments and execution methods to carry out the Authority's hedging strategy.

As a part of due diligence, the team always tests the current hedging strategy against the ever-changing market conditions, in the event they may need to propose a change of direction or an added protocol, with the approval of the ERRMC.

### **Three-Year Hedging Strategy in 2024**

Going forward, staff will continue to execute the Authority's three-year hedging strategy, layering hedges throughout the timeframe well in advance of the working year. Throughout the process of execution, the team closely monitors the Authority's customer load obligations which may fluctuate over time and potentially impact the percentage of hedges in place. The team also works closely with the Market and Commodities Risk team to explore trade instruments and execution methods in carrying out the hedging strategies.

As a part of due diligence, the team always tests the current hedging strategy against the ever-changing market conditions, in the event they may need to propose a change of direction or an added protocol, with the approval of the ERRMC. Mr. Chang concluded that, as part of its due diligence, the team always evaluates the current hedging strategies against the ever-changing market conditions and, if necessary, may propose a change of direction or an additional protocol with the approval of the ERRMC.

### **Credit Portfolio: Energy Commodity Counterparties**

Mr. Earl Faunlagui, Senior Director Market & Commodities Risk, provided highlights of the report. He said that the hedge program involves financial transactions with third parties. Therefore, most organizations establish a strong governance around this activity. When the strategies are presented to the ERRMC, the team looks at the objectives for the year and then sets goals and targets for approval at least once a year. Upon approval of that strategy, the team monitors it for successful execution looking at, among other things, market risk, where they provide daily portfolio valuations to the organization, and risk attributions, which may drive the portfolio up or down.

The team also performs probabilistic modeling to provide a high and low range to the organization to give the traders an idea as to whether volatility is increasing or decreasing. They then monitor it for adherence to the strategy targets throughout the year and provide a report on whether they are on target. The team also reviews operational risks, in that there are a lot of transactions that go between NYPA and other counterparties, to make sure that all of those transactions are accurately entered into the Authority's systems. This is then checked against a list of instruments that the Risk Committee has approved. The team also look at each trader to see if they are operating within the daily limits. Lastly, the team looks at the credit risk of the portfolio which is a part of managing the portfolio.

## **Managing Credit Exposure**

When the team enters a hedge transaction, they transfer that exposure to a counterparty. An unwanted outcome is that when that counterparty defaults, they would not be able to meet their contractual obligation and, therefore, that risk comes back to NYPA's portfolio. To manage this risk, NYPA has a portfolio of 20-plus diversified counterparties that are investment-grade and agency-rated. Currently, the Authority has no exposure to subpar credit; and nothing below investment grade and non-rated counterparties.

### **v. Cyber Security Update**

Mr. Victor Constanza, Interim Chief Information Security Officer, provided an update on Cyber Security's key areas of focus. He said that Cyber Security will continue execution of a multi-year strategy to keep the organization well-positioned to anticipate and respond to the dynamic, evolving threat landscape.

#### **2024 Cyber Security Key Focus Areas**

##### **1. Enhancing early Detection & Response**

- The Cyber Security team will continue with best practices across the cyber landscape to protect the organization against threats and attacks, maintain a low-risk appetite, and continue with its overall progress working with its various partners from the federal and state government and vendor partners and customers.
- The team is critical concerning staying ahead of threats, keeping pace through continued proactive detection and protection, and upskilling with the latest cyber capabilities.
- The team have pivoted from receiving threat intelligence to threat hunting, proactively looking through the environment, seeing where threats may be proliferating or showing up as a potential vulnerability, and then proactively addressing those threats.
- Information and trends are collectively shared with industry partners so that they can protect themselves by applying security best practices.

##### **2. Increasing Enterprise Resilience**

- Cyber Security is increasing its enterprise resilience by conducting several functional exercises throughout the year. These include disaster recovery exercises, incident response exercises, and awareness program activities.
- Disaster Recovery Drill testing of critical services is conducted to ensure business continuity.
- Several incident response exercises are developed and conducted throughout the year. These are tailored to NYPA's facilities and systems and functionally build readiness to respond.
- NYPA's cyber awareness program challenges users to be vigilant as a first line of defense and reduce susceptibility. The team organizes and participates in events such as phishing exercises and safety tailgates in order to build a culture of cyber vigilance and resilience.



### **3. Strengthening Enterprise Foundation**

Cyber Security continues to strengthen its foundation through innovative information technology and operational technology security capabilities which are added to its portfolio. As the landscape changes, the team has to make sure that their tools are evolving to keep pace with those changes. To that end, Cyber Security proactively innovates with various vendor-partners, such as Dragos and others, to ensure that it is looking at new capabilities, seeing how they fit in the Authority's portfolio, and then operationalize them in its environments.

#### **Advanced Threat Intelligence and Information Sharing**

##### **Vendor & Intelligence Partners**

- The Cyber Security team actively collaborates with a wide range of independent partners to collectively share threat intelligence and best practices to protect against common threats and attacks.
- The Authority receives intelligence from various federal, state, industry, and vendor-partners. The team then assesses how that intelligence applies to NYPA's environment and responds by proactively taking appropriate actions.

##### **Cyber Collective Defense Consortium**

- The Cyber Security team further enhances its capabilities and advisory support by providing customers with various offerings through the Cyber Collective Defense Consortium (CCDC). This will help them identify vulnerabilities, adopt and implement best practices, and prepare to detect and respond to incidents, since they are also targets for cyber-attacks.
- The Authority received positive responses to the various offerings provided to its customers and will continue to expand its cyber security advisory capabilities to all 51 municipal and cooperative customers. The NYPA CCDC also has served as a model with New York State for securing other state municipalities/partners.

##### **vi. Cyber Resilience Insurance Policy**

Mr. Adam Barsky, Executive Vice President and Chief Financial Officer, provided highlights on the Cyber Resilience Insurance Policy.

#### **2024 Cyber Resilience Insurance – Renewal and Restructuring**

##### **Expiring Policy**

The Authority's Cyber Resilience insurance policy is expiring and has to be renewed. The Authority plans to utilize the Captive, which was formed last year, to provide insurance benefit for its cyber program. To that end, the Authority selected a new broker as the lead insurance carrier.

##### **2024 Program**

Cyber attacks and ransomware incidents remain prolific and successful attacks could result in high value losses, supporting increased coverage limits. By increasing deductible and enrolling primary SIR layer into the Captive, tower limits were able to be expanded with a resultant premium increase of 12% over the expiring policy.

## **Captive Utilization**

The SIR layer of insurance will provide formal evidence of coverage, and premiums paid to Captive should generate surplus capital reserves to support expanded Captive business plans and programs.

Future Cyber Insurance Program could entail Captive insuring expanded portions of the coverage tower and assessing the global reinsurance market.

The Captive provides TRIA NBCR coverage which insures losses resulting from Cyber Terrorism. The Authority will also be able to access the TRIA coverage (\$500 million), which insures losses resulting from “Cyber Terrorism” events.

### **vii. Physical Security and Crisis Management Update**

Mr. Lawrence Mallory, Senior Director Security & Crisis Management, provided an update on Physical Security and Crisis Management.

#### **Enterprise-Wide Team**

A series of physical security intelligence tools such as deep- and dark-web monitoring, open-source media feeds from the FBI, feeds from the ISEC and from the state fusion center are used for physical security and crisis management. Working with the Risk and Resilience group and other internal partners, the team determined that the data could be used for horizon scanning. They were able to create a series of regular reoccurring reports on a daily basis, utilizing those tools.

#### **Preparedness Efforts**

Last year, the team conducted 58 drills and exercises including GridEx the Electric Sector Information Sharing Center Drill; Niagara Active Shooter Drill; and Canals Hybrid Confined Space Workshop; FERC Intelligence & Information Sharing; Weather Preparedness and Threat Assessment Evaluation and Response.

#### **Future Considerations**

In coordination with other business units such as Strategic Supply Management (SSM), several activities are in place to further the Authority’s resilience, security, and preparedness efforts. This includes the ongoing security technology assessment; UAS (Drone) Vulnerability Mapping Program; Regulatory Inspections; 2024 Solar Eclipse Planning for an event in Western New York.

### **e. New York Power Authority Environmental Justice Program Update**

Ms. Kaela Mainsah, Vice President of Environmental Justice, provided an update on the Authority’s Environmental Justice Program. She said that the Environmental Justice Program is designed to provide educational services and programs for the underserved communities that intersect with the Authority’s statewide facilities and strategic operations. She then invited Alex DeRosa, and Matthew Caruso, Managers of Environmental Justice, to provide reports on some of the Environmental Justice programs around the state.

#### **Diversifying the Workforce Pipeline**

Ms. Alex De Rosa reported on the Pathways in Technology Early College High School (P-TECH) and Electric Vehicle (EV) Workforce Development programs.

#### **P-TECH Program**

Last summer, 40 paid interns participated in the P-TECH program, increasing the total number of interns to 82 since the program’s inception in 2021. The goal of the program is to prepare students for utility

careers, aligning their studies with energy industry skill sets and offering industry certifications as part of the internship program. The team was able to accomplish this goal for the first time last year.

In addition, approximately 24 interns earned Energy Auditing Certifications, namely, HVAC and CALT certifications. Interns also received Pilot (FAA 107) certifications. This was a great opportunity to expand the workplace experience tailored for students to provide them with the best possible six-week internship experience.

This summer the Authority plans to host 50 internships. They will be working with Cyber Security and the UAS Drone teams. In the fall, the Junior Fellowship Program will be launched which will give P-TECH students an opportunity to engage in paid, year-long, energy-related research projects.

### **Electric Vehicle (“EV”) Workforce Development Program**

The EV Workforce Development Program donates NYPA and Canals' retiring EV and hybrid fleet vehicles, level two chargers, and insulated hand tools to Auto-Tech programs across the state. This program aims to educate the next generation of auto-technicians on zero-emission vehicles. By 2030, all the new passenger vehicles that are sold within the state will need to be zero-emission vehicles. The Authority wants to ensure that its stakeholders are trained for these available careers. Currently, it is estimated that under 2% of the automotive service technicians have EV certifications. This result indicates that there is a need for entry-level, Safety 101 Introductory EV curriculum at the High School. To that end, the Authority is working with the state's Education Department to support the rollout of an EV curriculum that was developed by the Capital Region BOCES.

### **Supporting Strategic Initiatives**

A new pathway for the EJ team is aligning its programs with NYPA's strategic transmission initiatives. To that end, they are building industry micro credentials that will allow stakeholders to be more competitive in transmission-related careers.

The Authority has partnered with Stony Brook University's Center for Integrated Electric Energy Systems to develop a course related to micro credentials in transmission. This course will provide literacy into growing transmission disciplines such as HVDC, power conversion, micro grids, and home energy integration of renewable energy. This 12-week course is currently being piloted with the electrical trade students from Eastern Suffolk BOCES.

Long Island is a target population for the NYPA because the Authority has two generation assets on the island and residents are already seeing offshore wind projects in their neighborhoods and are part of the discussion of new transmission projects and upgrades to bring renewable energies to Long Island and the rest of the state. The team is working so that stakeholders in Brentwood, Holtsville, and along the project pathways, are equipped to compete in the energy job market.

The team also worked with Stony Brook University to translate its existing industry-level offshore wind training curriculum into a digestible Middle School and High School STEM program and possibly influence their future academic decisions. To date, more than 1300 students from the Brentwood School District are interested in the Offshore Wind curriculum, and the team is planning to continue deploying that curriculum throughout the year across Long Island.

### **Climate Justice Support – From Classroom to the Community**

Mr. Matthew Caruso, Manager of Environmental Justice, provided a report on the Climate Justice Support program, more specifically, the Food Justice Program.

## **NYPA Green Classroom Program**

Since 2018, the Authority has been working on installing weather, high-tech, state-of-the-art hydroponic science labs throughout the New York City Public School system and have been supporting the program through maintenance and harvesting activities, and hands-on STEM engagements, working directly with the parents of the students.

Once per year, the team engages with the schools that are part of the network, and other schools, at the Annual Youth Conference. Last year, more than 900 students participated in the full day event with students sharing their experiences, speaking with Subject Matter Experts in the industry, and presenting the research projects that they were working on with their teachers throughout the year.

## **Community Learning Circles – Uprose and NYCHA**

The Community Learning Circles program has progressed, and the team is starting to see successes, for example, the Astoria houses with a group called Hanac Cornerstone of Astoria which oversees the youth after-school youth program.

In collaboration with a community vendor called Harlem Grown, a climate day activity was conducted with the students. The students were taught how to prepare nutritious meals using the produce from the equipment that NYPA installed in the Community Center.

NYPA also installed a hydroponic system with Uprose, the oldest Latino Environment Justice group in New York City. The team recently led an intergenerational learning circle event with adults, students, and young children from kindergarten to third grade, teaching them about food justice, i.e., different ways they could be advocates for their school and community, and different ways they could be proactive and grow vegetables in their own homes and apartments.

## **National Utility Research Collaborative – 3 Indoor Food Production Systems**

The National Utility Research Collaborative, in partnership with the Electric Power Research Institute (“EPRI”), have installed emergency food banks in the Buffalo area which service Erie County. To date, three retrofitted shipping containers, two in Buffalo and one with Feed More Western New York, have been installed. A Meals on Wheels program, as well as various nutrition-based programs, providing nutritious food for the community, have also been implemented.

## **Controlled Environmental Agriculture**

For the years 2024 and 2025, the Authority is planning to implement controlled environmental agriculture curriculums with High School students. This will be an elective program that High School students can opt into through the network of High Schools that are part of the Green Classroom Program. It will teach the students technical skills, different environmental studies and careers, and workforce training opportunities for students to get hands-on experience and qualify for jobs associated in the field.

Mr. Caruso ended that the Environmental Justice Department installed a retrofitted shipping container to grow produce hydroponically year-round. The container has the capacity to grow more than 13,000 different types of leafy green vegetables, produce, and herbs. Additionally, water, electricity consumption and the yield obtained from growing hydroponically indoors with this type of container will be tracked by the Authority. This is the third container that the Authority has installed, to date. The first two were installed in Buffalo.

## **f. Finance Committee Report**

Finance Committee Chair, John Koelmel, reported that the Finance Committee met on January 23, 2024, adopted minutes, received two staff reports, and adopted the following items which are now before the Trustees/Directors for adoption.

- i. Finance Committee Recommendations for Approval:
  - 1. Project & Program Management Services Contract Award
  - 2. Smart Path Connect – Transmission Line Construction – Increase Funding Authorization
  - 3. Smart Path Connect – Substations Construction – Increase Funding Authorization
  - 4. Collective Bargaining Agreement between the New York State Canal Corporation and Civil Service Employees Association
  - 5. Canals On Demand Infrastructure Repairs – Recommendation for Additional Funding
  - 6. Propel NY – Request for Capital Expenditure Authorization

On motion made by member Bethaida Gonzalez and seconded by member Laurie Wheelock, the following resolutions, as recommended by the President and Chief Executive officer, were unanimously adopted.

**1. Project & Program Management Services Contract Award**

RESOLVED, That the Finance Committee recommends that the Board of Trustees approve, pursuant to the Guidelines for Procurement Contracts adopted by the Authority and the Authority’s Expenditure Authorization Procedures, the award of five-year Project and Program Management Services value contracts to AECOM USA Inc. (Chicago, IL), CHA Consulting Inc.(Albany, NY), H2M architects + engineers (Melville, NY), Jacobs Project Management Co. (New York, NY), Jingoli Power, LLC (Lawrenceville, NJ), K&A Engineering Consulting, P.C. (White Plains, NY), Parsons Engineering of New York, Inc. (Syracuse, NY), WSP USA INC. (New York, NY), Dagda Corporation, (Hellertown, PA), Ferreira Power Group LLC (Juno Beach, FL), Haydan Consultants Inc. (White Plains ,NY), LUZCO Technologies LLC (St. Louis, MO), Macan Deve Engineers DPC (White Plains, NY), TRM Environmental Consultants LLC (Westerville, NY), and Toll International LLC (New York, NY) in the aggregate amount of \$70,000,000 as recommended in the report of the President and Chief Executive Officer; and be it further

RESOLVED, That the Authority will use Capital or Operating Funds, as appropriate, which may include proceeds of debt issuances, to finance the costs of projects; 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 Interim Executive Vice President and General Counsel.

**2. Smart Path Connect – Transmission Line Construction – Increase Funding Authorization**

RESOLVED, that the Finance Committee recommends that the Board of Trustees approve, pursuant to the Guidelines for Procurement Contracts adopted by the Expenditure Authorization Procedures, increased authorization in the amount up to \$23,500,000 to Michels Power Inc. for the Smart Path Connect Project, as recommended in the report of

the President and Chief Executive Officer; and be it further

RESOLVED, that NYPA will use Capital Funds, which may include proceeds of debt issuances, to finance the costs for the project; 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 Interim Executive Vice President and General Counsel.

### **3. Smart Path Connect – Substations Construction – Increase Funding Authorization**

RESOLVED, that the Finance Committee recommends that the Board of Trustees approve, pursuant to the Guidelines for Procurement Contracts adopted by the Expenditure Authorization Procedures, increased authorization in the amount up to \$30,500,000 to Michels Power Inc. for the Smart Path Connect Project, as recommended in the report of the President and Chief Executive Officer; and be it further

RESOLVED, that NYPA will use Capital Funds, which may include proceeds of debt issuances, to finance the costs for the project; 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 Interim Executive Vice President and General Counsel.

### **4. Collective Bargaining Agreement between the New York State Canal Corporation and Civil Service Employees Association**

RESOLVED, that the Chief Operating Officer and Director of Labor be, and hereby is, authorized on behalf of the New York State Canal Corporation to execute a Collective Bargaining Agreement with The Civil Service Employees Association, Local 1000, AFSCME, AFL-CIO, Negotiating Unit III covering specified operating and maintenance employees of the Canal's facilities with changes to that Agreement as described in the report of the President and Chief Executive Officer, subject to approval of the Chief Operating Officer and the Interim Executive Vice President and General Counsel; 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 Interim Executive Vice President and General Counsel.

**5. Canals On Demand Infrastructure Repairs – Recommendation for Additional Funding**

RESOLVED, that the Finance Committee recommends that the Board of Trustees approve the allocation of the sum of \$10,000,000 in additional funding for the awarded contracts related to Canals On Demand Infrastructure Repairs which will increase the total aggregate value available for these awarded contracts to \$72,353,400, as recommended in the report of the President and Chief Executive Officer; and be it further

RESOLVED, that the Authority will use capital or operating funds, as appropriate, which may include proceeds of debt issuances, to finance the costs of projects; 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 Interim Executive Vice President and General Counsel.

**6. Propel NY – Request for Capital Expenditure Authorization**

RESOLVED, That the Finance Committee recommends that the Board of Trustees, pursuant to the Authority’s Capital Planning and Budgeting Procedures, approve capital expenditures in the amount of \$500,000,000 for the Propel NY Project, in accordance with, and as recommended in, the report of the President and Chief Executive Officer; and be it further

RESOLVED, That the Authority will use Capital Funds, which may include proceeds of debt issuances, to finance the costs of this Project:

| <u>Capital</u>    | <u>Expenditure Authorization</u> |
|-------------------|----------------------------------|
| Propel NY Project | \$500,000,000                    |

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 Interim Executive Vice President and General Counsel.

**g. Special Governance Committee Report**

- i. Governance Committee Recommendations for Approval:

Chair Bethaida González reported that the Governance Committee met on February 6, 2024 and considered and recommended the following appointments to the Authority Trustees and the Canal Corporation Board of Directors for adoption:

- Lori A. Alesio as Executive Vice President and General Counsel
- Cecily L. Morris as Chair of the Risk and Resiliency Committee

On motion made by member Laurie Wheelock and seconded by member Lewis Warren, Jr., the following resolutions, as recommended by the President and Chief Executive officer, and the Chairman of the Authority, respectively, were unanimously adopted.

**1. Appointment of Executive Vice President and General Counsel**

RESOLVED, That pursuant to Article IV, Section 2 of the Authority and Canal Corporation's Bylaws, the Governance Committee hereby recommends to the Authority's Trustees and the Canal Corporation's Board of Directors the appointment of Lori A. Alesio as Executive Vice President and General Counsel, at an annual salary of \$320,000, effective immediately, to hold such office until her successor is chosen and qualified or until her earlier removal, resignation or death.

**2. Appointment of Chair of the Risk and Resiliency Committee**

RESOLVED, That pursuant to Article IV of the By-Laws of the New York Power Authority and the Canal Corporation, the Governance Committee recommends that the Authority's Trustees and the Canal Corporation's Board of Directors appoint Cecily L. Morris as Chair of the Risk and Resiliency Committee, effective immediately.

**5. CONSENT AGENDA:**

On motion made by Member Michael Cusick and seconded by Member Lewis Warren, the Consent Agenda was unanimously adopted.

**a. Commercial Operations**

**i. Municipal and Rural Electric Cooperative Industrial Economic Development Program – Allocation to Village of Wellsville**

RESOLVED, That the Trustees hereby approve the allocation of 180 kW of hydropower to the Village of Wellsville under the Municipal and Rural Electric Cooperative Industrial Economic Development Program as set forth in the foregoing report of the President and Chief Executive Officer; and be it further

RESOLVED, That the Senior Vice President of Customer Solutions or her 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 Interim Executive Vice President and General Counsel; and be it further

RESOLVED, That the 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 Interim Executive Vice President and General Counsel.



**b. Procurement (Services) Contracts**

**i. Procurement (Services) and Other Contracts – Business Units and Facilities – Awards, Extensions and/or Additional Funding**

RESOLVED, That pursuant to the Guidelines for Procurement Contracts adopted by the Authority and Canal Corporation, the award and funding of the multiyear procurement services contracts referenced hereto, are hereby approved for the period of time indicated, in the amounts and for the purposes listed therein, as set forth in the 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 and Canal Corporation, the contracts referenced hereto, are hereby approved and extended for the period of time indicated, in the amounts and for the purposes listed therein, as set forth in the 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 and Canal Corporation are, 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 Interim Executive Vice President and General Counsel.

**c. Real Estate**

**i. Renewal of License Agreement for Office Space – Albany, New York**

RESOLVED, That the President and Chief Executive Officer and the Assistant General Counsel – Real Estate be, and hereby are, authorized to enter into a lease agreement for Authority's use of office space on substantially the terms set forth herein, subject to approval of documents by the Interim Executive Vice President and General Counsel or her designee; and be it further

RESOLVED, That the Assistant General Counsel – Real Estate, or designee, is hereby authorized to execute any and all other agreements, papers, or instruments on behalf of the Authority that may be deemed necessary or desirable to carry out the foregoing, subject to the approval by the Interim Executive Vice President and General Counsel; 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 Interim Executive Vice President and General Counsel.

ii. **Renewal of License Agreement for Office Space – Buffalo, New York**

RESOLVED, That the President and Chief Executive Officer and the Assistant General Counsel – Real Estate be, and hereby are, authorized to enter into a lease agreement for Authority's use of office space on substantially the terms set forth herein, subject to approval of documents by the Interim Executive Vice President and General Counsel or her designee; and be it further

RESOLVED, That the Assistant General Counsel – Real Estate, or designee, is hereby authorized to execute any and all other agreements, papers, or instruments on behalf of the Authority that may be deemed necessary or desirable to carry out the foregoing, subject to the approval by the Interim Executive Vice President and General Counsel; 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 Interim Executive Vice President and General Counsel.

d. **Financial Operations**

i. **Adjustment to Westchester County Governmental Customer Cost of Service and Rates – Notice of Adoption**

RESOLVED, That the Vice President – Economic Development & Key Account Management, or his designee, be, and hereby is, authorized to issue written notice to the affected Customers of this final action by the Trustees for a 10% adjustment of the Cost of Service and associated rates applicable to the Westchester County Governmental Customers as set forth in the 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 such notices as may be required with the Secretary of State for publication in the New York State Register and to submit such other notice as may be required by statute or regulation concerning the Cost of Service and rates adjustment; 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 Interim Executive Vice President and General Counsel.

**e. Governance Matters**

**i. Approval of the Minutes**

**1. Minutes of the Joint Meeting of the New York Power Authority's Board of Trustees and Canal Corporation's Board of Directors held on December 12, 2023**

On motion made and seconded, the Minutes of the Joint Meeting of the New York Power Authority's Trustees and Canal Corporation's Board of Directors held on December 12, 2023 were unanimously adopted.

**6. NEXT MEETING**

The next meeting of the New York Power Authority's Trustees and the Canal Corporation's Board of Directors will be held on Tuesday, March 26, 2024 unless otherwise designated by the Chairman with the concurrence of the Trustees.

**Closing**

On motion made by member Michael Cusick and seconded by member Lewis Warren, the meeting was adjourned at approximately 12:23 p.m.

*Karen Delince*

Karen Delince  
Corporate Secretary