



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

**OCTOBER 2, 2018**

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Minutes of the regular joint meeting of the New York Power Authority and Canal Corporation's Governance Committee held, via video conference, at the Clarence D. Rappleyea Building, 123 Main Street, White Plains, New York, at approximately 8:30 a.m.

**The following Members of the Governance Committee were present:**

Eugene Nicandri, Acting Chair  
Dr. Anne Kress  
John Koelmel  
Anthony Picente, Jr.  
Dennis Trainor

**Also in attendance were:**

Gil Quiniones	President and Chief Executive Officer
Joseph Kessler	Executive Vice President and Chief Operating Officer
Justin Driscoll	Executive Vice President and General Counsel
Kristine Pizzo	Senior Vice President - Human Resources and Enterprise Shared Services
Soubhagya Parija	Senior Vice President and Chief Risk Officer
Lee Garza	Senior Vice President Financial Operations and Acting Controller
Karen Delince	Vice President and Corporate Secretary
Joseph Gryzlo	Vice President and Chief Ethics & Compliance Officer
Ruth Colón	Vice President - Enterprise Shared Services
Daniella Piper	Vice President – Digital Transformation / Chief of Staff
Nancy Harvey	Director - Office of Civil Rights and Inclusion
Lorna Johnson	Senior Associate Corporate Secretary

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Acting Chair Eugene Nicandri presided over the meeting. Corporate Secretary Delince kept the Minutes.

**Introduction**

***Acting Chair Nicandri welcomed committee members and Authority senior staff to the meeting. He said the meeting had been duly noticed as required by the Open Meetings Law and called the meeting to order pursuant to Section B(4) of the Governance Committee Charter.***

1. **Adoption of the Proposed Meeting Agenda**

Upon motion made by Member Dennis Trainor and seconded by Member John Koelmel, the Agenda for the meeting was adopted.

2. **Motion to Conduct an Executive Session**

***“Mr. Chairman, I move that the Committee conduct an executive session to discuss matters leading to the appointment, employment, promotion, demotion, discipline, suspension, dismissal or removal of a particular person or corporation (pursuant to section 105 of the Public Officers Law).”*** On motion made by member Dennis Trainor and seconded by member John Koelmel, the members held an Executive Session.

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

*“Mr. Chairman, I move to resume the meeting in Open Session.”* On motion made by member Dennis Trainor and seconded by member John Koelmel, the meeting resumed in Open Session.

**4. CONSENT AGENDA:**

On motion made by Member John Koelmel and seconded by Member Dennis Trainor, the Consent Agenda and Reports provided by staff to members of the of the Governance Committee were approved.

a. **NYPA Matters**

i. **Approval of the Minutes of the Meeting held on March 20, 2018**

Upon motion made and seconded the Minutes of the meeting held March 20, 2018 was adopted.



ii. **Procurement and Related Reports**

The Vice President - Strategic Supply Management submitted the following report:

**SUMMARY**

This report is to advise the Governance Committee of certain 2018 Strategic Supply Management activities, including: procurement contract activity, disposal of personal property, Supplier Diversity Program activities and plant inventory statistics; as well as fossil fuels activities conducted by the Fuel Planning and Operations Group; and corporate finance activities conducted by the Treasury Group.

**BACKGROUND**

Pursuant to Subsection C.5 of the Authority's Governance Committee Charter relating to Reports, the Vice President – Strategic Supply Management is required to report to the Committee at all regularly scheduled meetings and the Committee has the authority to require Procurement and other staff to prepare additional reports and to produce documents for Committee review.

The reported activities are governed by various State laws and regulations and are set forth in the attached Reports.

**DISCUSSION**

As more fully described in the individual reports attached hereto as Exhibits '4a ii-A' through '4a ii-G,' the Procurement Contract Report summarizes activity for procurements of \$5,000 or greater that were active during the period January through June 2018, as identified by the Authority's SAP Enterprise Resource Planning ('ERP') system. The Disposal of Personal Property Report lists all personal property disposal transactions over \$5,000 conducted during the period January through June 2018. The Supplier Diversity Program Activity Report summarizes dollars awarded to New York State-certified Minority and Women-owned Business Enterprises ('MWBEs') as well as to Service-Disabled Veteran-Owned Businesses ('SDVOBs') based on reportable expenditures. Please note that the MWBE and SDVOB compliance and reportable expenditure values were generated for internal tracking purposes based on NYPA's calendar year reporting, and may not be in alignment with approved NYS fiscal year measures. The Plant Inventory Analysis lists current stock value and compares it to that of the previous year, with a brief explanation for any significant increase or decrease, where applicable. The Fossil Fuels and Corporate Finance Reports list the fuel- and finance-related transactions conducted by the Fuel Planning and Operations and Treasury work groups, respectively. The Transfer of Interest in Personal Property to Canal Corporation report identifies personal property transferred from the Authority to Canal Corporation deemed prudent by the Contracting Officer to facilitate the Canal Corporation's obligations to operate, maintain, construct, reconstruct, improve and develop the canal system.

**FISCAL INFORMATION**

There will be no financial impact on the Authority.

**RECOMMENDATION**

The Governance Committee is requested to review and approve the Procurement, Fossil Fuels and Corporate Finance Reports (attached hereto as Exhibits '4a ii-A' through '4a ii-G')."

iii. **Real Estate Reports**

The Vice President - Enterprise Shared Services submitted the following report:

**SUMMARY**

This report is to advise the Governance Committee of certain 2018 activities of the Real Estate Division regarding the acquisition and disposal of real property.

**BACKGROUND**

Pursuant to Subsection C.5 of the Authority's Governance Committee Charter relating to Reports, the Vice President - Enterprise Shared Services, the Vice President - Procurement and the Manager - Corporate Real Estate are required to report to the Committee at all regularly scheduled meetings, and the Committee has the authority to require Real Estate staff to prepare additional reports and to produce documents for Committee review.

The reported activities are governed by various State laws and regulations and are set forth in the attached Report.

**DISCUSSION**

The Report of the Acquisition and Disposal of Real Property for the period January through September 13, 2018 is attached hereto as Exhibit '4a iii-A'."

**iv. New York Power Authority Ethics & Compliance Program and Reliability Standards Compliance**

The Vice President and Chief Ethics & Compliance Officer and the Vice President of Technical Compliance submitted the following reports:

**ETHICS and COMPLIANCE**

SUMMARY

The Office of Ethics and Compliance ('E&C Office') advises NYPA's trustees, officers and employees on the legal, regulatory and NYPA Code of Conduct ethics and compliance standards relating to NYPA's employees and operations. It coordinates the investigation of allegations and concerns involving NYPA's assets and employees. This report highlights significant developments in NYPA's ethics and compliance program for the period March 20, 2018 to October 2, 2018.

BACKGROUND

The principal substantive issues arising under the NYS ethics laws and NYPA's Code of Conduct investigated or researched since the most recent Governance Committee report on March 20, 2018 include various requests to engage in outside activities and employment, several allegations, conflicts of interest assessments, gifts reporting, paid volunteer time reviews, nepotism and post-employment analyses.

	Albany	BG	CEC	Niagara	STL	WPO	Totals
<b>Allegations</b>	0	0	0	1	2	3	<b>6</b>
<b>Appearance of Impropriety</b>	0	0	0	0	0	3	<b>3</b>
<b>Conflicts of Interest</b>	1	0	0	1	1	6	<b>9</b>
<b>General research</b>	1	0	0	1	0	7	<b>9</b>
<b>Gifts</b>	0	0	0	1	0	18	<b>19</b>
<b>Nepotism</b>	0	4	1	4	4	12	<b>25</b>
<b>Outside Activities</b>	1	0	1	7	0	9	<b>18*</b>
<b>Outside Employment</b>	0	1	2	4	5	15	<b>27</b>
<b>Post-Employment</b>	1	1	2	3	0	11	<b>18</b>
<b>Unwarranted Privilege</b>	0	0	2	1	0	19	<b>22</b>
<b>Use of Assets</b>	0	0	0	0	0	4	<b>4</b>
<b>Totals</b>	<b>4</b>	<b>6</b>	<b>8</b>	<b>23</b>	<b>12</b>	<b>107</b>	<b>160</b>

\*Approximately 48 individuals from three locations/departments utilized the Paid Volunteer Time Policy and are accounted for in the Outside Activities category. Each group event is catalogued as a single inquiry in its location's column.

DISCUSSION

Selected Cases

The E&C Office was consulted by the manager of a developmental intern who was the victim of an extortion attempt arising from personal social media contacts engaged in during work hours and at a NYPA office. The perpetrator threatened to release video recorded in a NYPA facility on the victim's Facebook page and on the social media outlets maintained by NYPA and the intern's college. The victim was referred to the Federal Bureau of Investigation and local law

enforcement. The intern was terminated as a result of engaging in inappropriate activities during working hours.

A Niagara Project employee whose spouse owns a local business inquired about an 'Ignite Buffalo' competition initiative which intends to help local businesses grow and increase their payrolls. This economic development campaign was being run by 43 North, a company which receives funding from NYPA. Initially, the E&C Office opined that given the relationship between NYPA and the sponsoring organization, the appearance of impropriety and potential conflict of interest inherent in having a NYPA employee's business participate would present an insurmountable obstacle. After learning that the funding for the Ignite Buffalo competition was the result of a million dollar donation from Facebook and that NYPA had no direct knowledge of the project and no programmatic responsibilities related to the initiative, the E&C Office modified its original determination and agreed that the employee's spouse was eligible to participate in the Ignite Buffalo initiative.

In another case, a retired NYPA employee secured employment with a current NYPA consultant providing various compliance related services for the consultant's clients. Recently, a large industrial NYPA customer also retained the same consultant to assist in the development of a Compliance Responsibility Matrix ('CRM') associated with its substation assets. The former employee has been asked to review and comment on the NYPA/Customer CRM related agreements and participate in meetings with NYPA operations and compliance staff. The former employee's role in the meetings would be to support the Customer's staff, not to interact with his former NYPA colleagues. It was determined that the former NYPA employee could not participate in the development of the NYPA/Customer CRM as it would be a violation of the Public Officers Law two-year post-employment restriction, which precludes former State employees from appearing or practicing before their former State employer or receiving compensation for matters pending before their former State employer for the first two years following their separation of service from the State.

Further, the E&C Office concluded that having the consultant assist NYPA's customer with the development of the CRM while simultaneously serving as NYPA's consultant could result in an appearance of impropriety or a conflict of interest. The E&C Office recommended that the appearance of impropriety be addressed through full disclosure among NYPA, the customer and the consultant and that a conflict of interest waiver agreement should be developed to clarify roles and responsibilities and waive any potential conflicts of interest.

A NYPA engineer who recently resigned contacted the E&C Office to discuss the possibility of collaborating with NYPA regarding a new software program he and a college professor colleague were going to write which analyzes the impact of electric vehicles on the power grid. The team would apply for grant funding currently available through a New York State Energy Research and Development Authority ('NYSERDA') program and, if selected, would need to partner with an entity which had the ability to gather information from various New York State related databases such as the Department of Motor Vehicles. The E&C Office consulted with the New York State Joint Commission on Public Ethics ('JCOPE') and determined that the two-year post-employment restriction disallowed the former employee from partnering with NYPA on this project, but that he and his partner were free to apply for a grant through the NYSERDA program as his former contacts with NYPA and previous official NYPA duties did not create a conflict of interest.

#### Internal Collaboration

The E&C Office continues to provide support to the Internal Audit Department as it plans for upcoming quarterly audits and assessments by providing historical knowledge and case updates for key subject areas, including fraud and other activities which have led to corrective actions. This collaboration also provides an opportunity to update Internal Audit staff regarding ongoing ethics and compliance principles and trends which may be instructive to the group as it

develops more comprehensive audit plans that include ethics and compliance governance and opportunities to enhance internal controls.

During the recent reporting period, Internal Auditors identified an anomaly for several employees who had not recorded any exception time (i.e., vacation) in the payroll time and attendance system during the preceding calendar year. The E&C Office worked with these employees to reconcile their calendars and record any time that may have been overlooked during those reporting periods. Additionally, a new process was developed whereby a quarterly report will be issued to affected employees' business unit heads and the E&C Office to monitor the lack of exception time reporting as an additional check and balance against time abuse and reporting.

The E&C Office will be working with Human Resources to provide a more comprehensive on-boarding package for new employees who may be participants in the JCOPE annual Financial Disclosure program. We have recently been contacted by several newly hired employees who expressed frustration that they did not fully appreciate the restrictions placed on government employees as well as the requirement to participate in the Financial Disclosure program. The E&C Office will work with hiring managers and Human Resources to determine the most appropriate time and delivery method to provide an overview of the Public Officers Law to prospective employees who would be participants in the Financial Disclosure program.

#### Collaboration with the New York State Inspector General's Office and Other External Agencies

NYPA continues to collaborate with the NYS Inspector General's Office and other external federal and state agencies in performing investigations of referred cases and providing requested documentation or information related to ongoing investigations. The E&C Office is NYPA's liaison for coordinating compliance with investigations affecting NYPA and its business partners.

#### Training and Outreach

The Public Integrity Reform Act of 2011 ('PIRA') requires the presentation of an initial Comprehensive Ethics Training Course ('CETC') to JCOPE Financial Disclosure Program participants and refresher training of those employees every three years thereafter. NYPA has calendared monthly training sessions to meet this ongoing training requirement.

The E&C Office also coordinates required training for designated employees to comply with the Federal Energy Regulatory Commission's ('FERC') Standards of Conduct relating to transmission and energy marketing functions and FERC Rules designed to prevent manipulation of energy markets.

#### Financial Disclosure

Mandatory Financial Disclosure certifications for NYPA, EDPAB, NNYPPAB and WNYPPAB were submitted to JCOPE by the statutory deadline of February 28, 2018.

Financial Disclosure Forms were due on May 15, 2018 for the 2017 calendar year filing. Since the filing deadline, the E&C Office has been asked to facilitate the filing of several delinquent employee Financial Disclosure Statements, including one for an employee represented by a collective bargaining unit. This individual was serving in a position that was not exempt by title and had previously applied for an individual exemption based upon his job description. A colleague with an identical title had been granted an individual exemption in 2010. The delinquent employee's request for an individual exemption was denied, thereby creating a scenario wherein two employees with identical titles have been treated differently.

In an effort to correct this anomaly, the E&C Office contacted JCOPE to review its findings. JCOPE determined that the employee was delinquent and had the opportunity to re-

apply for an exemption during two subsequent filing periods and had chosen not to do so. Further, he had timely submitted his 2016 filing, therefore the Commission determined that regardless of the anomaly, this filer would be required to submit the 2017 Disclosure form or enforcement proceedings would begin. The employee filed the delinquent report and requested a more formalized review of the job classification status for purposes of this program.

Simultaneously, JCOPE informed the E&C Office that it was contemplating a statewide review of all title and individual exemptions during calendar year 2019. If this review occurs, the E&C Office will work with Human Resources and Labor Relations staff to review job descriptions to evaluate which titles the organization believes should remain exempt and which titles to deny exemptions based upon job duties contained in official position descriptions.

### Project Sunlight

Project Sunlight is a publicly available database originating from the 2011 Public Integrity Reform Act ('PIRA') legislation and requires all agencies and authorities to submit information related to meetings between state agencies and authorities and private sector businesses and citizens under five specific categories; procurement of goods and services, ratemaking, the adoption or repeal of a rule or regulation, judicial or quasi-judicial matters and regulatory matters. Its purpose is to promote transparency in State government while allowing the public to view who is seeking to do business with, or otherwise influence State agency and authority decision-making. NYPA has a total of 1047 entries since the database's inception on January 1, 2013. The E&C Office continues to educate NYPA management on this reporting requirement.

### **Ethics and Compliance Office---Compliance Activities**

Among various Public Authorities Reform Act ('PARA') statutory requirements, there are certain reports and other information which are legally mandated to be filed with external stakeholders and posted on the NYPA's website while being kept current throughout the year. The E&C Office collaborates with Business Services and the Law Department while working with the designated NYPA compliance owners to coordinate the identification, filing and posting of these required documents to ensure NYPA's ongoing PARA compliance.

The E&C Office completed its annual review of all Federal and New York State reporting and training requirements. This information has been certified to be accurate by the applicable business unit heads, and both the information and certification have been archived in Content Server.

The E&C Office has developed and deployed two FERC training programs, the FERC Standards of Conduct and the Anti-Manipulation of the Markets. Employees designated to complete these training requirements are in compliance with the requirements.

The E&C Office continues to assist the Utility Operations' Reliability Standards and Compliance team with ongoing investigations of potential violations of the North American Electric Reliability Corporation Reliability Standards in accordance with established procedures."

### **RELIABILITY STANDARDS COMPLIANCE**

#### "SUMMARY

This report highlights important aspects of NYPA's North American Electric Reliability Corporation ('NERC') Reliability Standards compliance management program for the period March 20, 2018 to October 2, 2018. A brief background statement is followed by discussion of items specific to Reliability Standards-related topics affecting the enterprise.

## BACKGROUND

Background information related to the origin of the NERC mandatory standards for reliability and NYPA's obligations to demonstrate compliance with the standards has been presented in previous reports to the Governance Committee.

## DISCUSSION

### NERC Reliability Standards Compliance Enforcement Actions

During the reporting period, there were no new potential non-compliance concerns of the NERC Reliability Standards reported to the Northeast Power Coordinating Council ('NPCC').

### Investigations of Potential Noncompliance

During the reporting period, Technical Compliance reviewed four (4) investigations of potential non-compliance of the NERC Reliability Standards. Three (3) investigations resulted in a determination of no potential non-compliance. One investigation is under review and pending a final determination and may require self-reporting to the NPCC. The investigation is for MOD-032-Data for Power System Modeling and Analysis: NYPA is responsible for submitting modeling data necessary to support analysis of the reliability of the transmission system. Upon review, it was noticed that generator modeling data for individual units at the Small Clean Power Plants may not have been correctly reported. The investigation is under review and pending a final determination.

This internal process is viewed by the regulator as evidence that NYPA has a strong internal compliance program.

### NERC Alerts

NERC disseminates information that it deems critical to ensuring the reliability of the bulk power system via 'alerts' designed to provide concise, actionable information to the electric industry. During the reporting period, there was one NERC alert sent to industry.

In May, NERC issued an alert for Loss of Solar Resources during Transmission Disturbances due to Inverter Settings – II, requesting NYPA to acknowledge receipt of this advisory and submit a report to NERC on the status of activities in relation to this recommendation. NYPA submitted its report to NERC indicating that this alert was not applicable to NYPA.

### Risk-Based Evidence Management Program

Technical Compliance implements a Risk-Based Evidence Management Program for identifying areas of risk and appropriate frequency for evaluation and compliance evidence updates for the NERC Reliability Standards applicable to NYPA. This process ensures that NYPA's compliance program aligns with NERC's risk-based Compliance Monitoring and Enforcement Program and the NPCC guided self-certification process. In 2018, Technical Compliance will review and update the evidence for twenty-nine (29) NERC Reliability Standards that are applicable to NYPA's NERC registrations. To date, Technical Compliance has reviewed and updated the evidence for thirteen (13) NERC Reliability Standards.

### Guided Self-Certification of Compliance

NYPA did not receive any Guided Self-Certification of Compliance notifications during the reporting period. Technical Compliance has established a rigorous process to ensure that compliance evidence is updated before NYPA self-certifies compliance with NPCC.

### Bulk Electric System (BES) Definition

As stated in earlier reports, the Federal Energy Regulatory Commission ('FERC') approved the new BES definition and that NYPA identified over 50 new BES elements that were subject to the NERC Reliability Standards in July 2016. The new definition applies essentially to any transmission assets operated at or above 100 kV.

As part of NERC's directive to NPCC in determining a Transmission Operator ('TOP') for the Moses-Alcoa 115 kV transmission lines, NPCC made a preliminary determination and is developing an implementation plan with Alcoa regarding its registration as TOP. NYPA is coordinating a formal agreement with Alcoa and NYISO to ensure its 'Transmission Operator' registration exposure is mitigated.

### Critical Infrastructure Protection (CIP) Standards

During the reporting period, NYPA continued to effectively manage the implementation of CIP Version 7 to include the Southeast New York ('SENY') region and the upstate Low Impact facilities and cyber system assets in the CIP Compliance Program. The CIP Version 7 regulatory deadline has been extended to January 1, 2020. In parallel, Technical Compliance continues to improve governance and management applications (AIMS/Maximo/CIMS) and engage the internal stakeholders to implement a work plan to establish a consistent and robust NERC CIP Compliance Program for NYPA's assets. The standardization of the program requires the implementation of certain controls that exceed, in some respects, the CIP requirements. Such an approach ensures program stability, enhances NYPA's security posture, and aligns with NYPA's enterprise-wide cyber security strategy. NYPA is in the final phases of procurement and have received final offers from contractors to upgrade SENY's physical protection.

### Control Center Classification

In mid-July, NPCC determined that for consistent Electric Reliability Organization-wide ('ERO') implementation of the CIP standards, the BES Cyber Systems located at various NYPA control rooms that are currently categorized as Medium Impact should be categorized as High Impact BES Cyber Systems. Technical Compliance has responded to NPCC and will propose an implementation plan to address their determination. NYPA does not plan on changing its BES facility categorization for these facilities from a control room to a 'Control Center.'

NYISO and NYPA plan to document their unique TOP/TO relationship to support and provide clarity that NYPA does not perform the functional obligations of a Transmission Operator ('TOP')."



b. Canal Matters

i. Approval of the Minutes of the Meeting held on March 20, 2018

Upon motion made and seconded the Minutes of the meeting held March 20, 2018 was adopted.

ii. **Canal Corporation Ethics & Compliance Program and Technical Compliance Utility Operations**

The Vice President and Chief Ethics & Compliance Officer and the Vice President of Technical Compliance submitted the following reports:

SUMMARY

The Office of Ethics and Compliance ('E&C Office') advises the NYS Canal Corporation ('Canals') directors, officers and employees on the legal, regulatory and Code of Conduct ethics and compliance standards relating to Canals' employees and operations. It coordinates the investigation of allegations and concerns involving Canals' assets and employees. This report highlights significant developments of the Canals' ethics and compliance program since the most recent Governance Committee meeting on March 20, 2018.

BACKGROUND

NYPAs E&C Office oversees the Canals' Ethics & Compliance Program, provides interpretative guidance to Canals staff and facilitates Canals compliance with applicable rules and regulations.

DISCUSSION

Emerging Caseload

The graph below illustrates a breakdown of the current Canals' ethics inquiries during this reporting period. It reflects the types of substantive issues affecting various employees located at multiple Canals' facilities. Frequency utilizing NYPAs E&C Office has increased as outreach efforts continue and employees experience productive interactions in response to their inquiries. Canals' management remains supportive of the E&C Office's efforts to promote a culture of integrity and transparent conduct.

Canals' management received a report that an employee responsible for procuring goods at a particular location was purchasing materials from a local business owned by a relative in his immediate family. The items purchased from this vendor were inconsistent with the type of merchandise typically sold by this small business, and a visual inspection of the vendor's facility confirmed that these items were not stocked in the facility. Total spend with this vendor exceeded \$30,000 in calendar year 2017. During the course of the investigation, the employee was interviewed and insisted that this was common practice and that he did not realize he had done anything wrong. His supervisor was aware of the familial relationship and did not identify any of the expenditures as inappropriate. This case highlights the need for additional training related to the Procurement Guidelines and the Public Officers Law conflicts of interest provisions for procurement staff and their supervisors who approve invoices/purchases.

A Canals' bargaining unit employee was assigned work related to the artificial reef project in the Long Island Sound. NYPAs and Canals were tasked with preparing scrap and salvage vessels to be sunk in the Long Island Sound. Prior to sinking these old barges and boats, they needed to be thoroughly cleaned and all hazardous materials removed. The Canals' employee assigned to assist on this project was overheard to be making plans to conduct a pre-bid walk through with a prospective bidder. The Strategic Supply Management ('SSM') group was unaware that this employee was meeting with any prospective bidders. This responsibility is to be undertaken by SSM. He was removed from the project as a result of his inappropriate activities.

A pair of Canals' employees who live in communities through which the Canal operates often volunteer at community events which have a Canals' focus. The employees requested approval to engage in these voluntary non-work related events. This inquiry raised a broader

question regarding Canals' employee participation at Canals' events as part of their official work duties to be differentiated from appearing at Canals' events in their personal volunteer capacity. A guidance document has been developed to clearly outline the expectations for employees when they are assigned to work a Canals' related event and when they are volunteering in their personal capacity. The guidelines include restrictions on the use of clothing and other apparel identifying themselves as Canals' employees.

Canals Cases March 20- September 26, 2018

Allegations	6
Appearance of Impropriety	1
Conflicts of Interest	1
Nepotism	24
Outside Activities	9
Outside Employment	5
Post-Employment	11
Unwarranted Privilege	1
Totals	58

Financial Disclosure

Financial Disclosure Statements for the 2017 reporting year were due at the New York State Joint Commission on Public Ethics on May 15, 2018. The E&C Office advised various employees and affiliated board members on their filing obligations and facilitated the accurate reporting of their personal information. We have received no delinquency notices regarding Canals' employees or Canal Recreationway Committee members.

Project Sunlight

Project Sunlight is a publicly available database originating from the 2011 Public Integrity Reform Act ('PIRA') legislation and requires all agencies and authorities to submit information related to meetings between state agencies and authorities and private sector businesses and citizens under five specific categories; procurement of goods and services, ratemaking, the adoption or repeal of a rule or regulation, judicial or quasi-judicial matters and regulatory matters. Its purpose is to promote transparency in State government while allowing the public to view who is seeking to do business with or otherwise influence State agency and authority decision-making. Canals has made a total of 35 entries since the database's inception on January 1, 2013. The E&C Office continues to educate Canals' management on this reporting requirement.

Ethics and Compliance Office---Compliance Activities

Among various Public Authorities Reform Act ('PARA') statutory requirements, there are certain reports and other information which are legally mandated to be filed with external stakeholders and posted on the Canals' website while being kept current throughout the year. The E&C Office is collaborating with Business Services and the Law Department, while working with the relevant Canals' and NYPA compliance owners to coordinate the identification, filing and posting of these required documents to ensure Canals' ongoing PARA compliance.

In addition, all Federal and New York State reporting requirements applicable to Canals have been identified and verified with the appropriate Canals staff. These requirements are currently being populated into NYPA's electronic compliance repository. This inventory will be monitored, updated and verified on an annual basis."

## **TECHNICAL COMPLIANCE – UTILITY OPERATIONS**

### **“SUMMARY**

This report highlights important aspects of NYPA's Technical Compliance support for the Canal Corporation ('Canals') and related integration activities for the period March 20, 2018 to October 2, 2018. A brief background statement is followed by discussion of specific Technical Compliance-related topics affecting the enterprise.

### **BACKGROUND**

As part of the overall integration activities, the following groups within Technical Compliance worked with the Canals and NYS Thruway personnel to ensure a seamless transition for their respective core functions. These groups are Physical Infrastructure Security, Emergency Management, and Code Compliance. Post-integration activities are discussed in this report.

### **DISCUSSION**

#### **Physical Infrastructure Security and Emergency Management**

As part of the Utility Operations team supporting the Canals, Physical Infrastructure Security continued to provide appropriate security access controls. A contract with Champion Security Services (a NYS Certified SDVOB) continues to be in place with language to support ad-hoc security guard and investigative needs. Physical Infrastructure Security continued to have discussions with key Canals' stakeholders regarding the execution of a security assessment. Canals' stakeholders provided a listing of locations and an assessment template was developed. Physical Infrastructure Security and Canals' personnel have prioritized the list of locations that will be assessed. Physical Infrastructure Security met with NYS SVD OB who have experience in site surveys and currently are working towards awarding a contract to complete Canals Security Surveys.

Physical Infrastructure Security received a request from Canals to support the relocation of the Syracuse office and equip the new space with an access control system. A system plan has been developed and a security site walk down has been scheduled. Physical Infrastructure Security has also received a request to work with Canals to develop and issue Canals' Photo ID Credentials. A Canals' ID Card Template has been developed, and an ID card database has been created. In June Physical Infrastructure Security completed photographing and issuance of Canals' ID cards to 100% of Canals' employees. Physical Infrastructure Security has also assisted the Canals' stakeholders in a number of security related investigations.

Emergency Management continued to work with a consultant and Canals' personnel to develop a more formal Emergency Management Program for the Canals consistent with NYPA and NYS practices. However, these objectives were impacted by NYPA's support in the power restoration efforts for Puerto Rico. Emergency Management will reinitiate its effort for Canal's Emergency Management Program. NYPA and Canals continue to collaborate utilizing a shared services model to mature and align the Emergency Management program with NYPA and NYS practices. NYPA and Canals' Emergency Management collaborated to address and close previously issued Internal Audit Department program recommendations on time.

#### **Code Compliance**

As the Canals is not a self-permitting agency under Title 19 – Part 1204, NYPA's Code Compliance Group is the Authority having jurisdiction over any building, premise, and equipment in the custody of the Canals with respect to the administration and enforcement of the Uniform Code.

NYPA's Code Compliance Group continued to work with Canals' personnel in executing its work plan. The following are the major areas with ongoing activities:

- The Fire Safety inspections for 67% of the buildings have been completed YTD in 2018 with 60% of the certificates issued.
- The final decision to utilize Shared Services for both NYPA and Canals in the area of Code Compliance has been made. NYPA is in the process of hiring additional individuals to support Canals.
- Code Compliance governance procedures for Canals have been approved and are in effect.”

5. **DISCUSSION AGENDA:**

a. **Appointment of Executive Vice President & Chief Commercial Officer**

The President and Chief Executive Officer submitted the following report:

"SUMMARY

The members of the Governance Committee are requested to recommend the following appointment, effective immediately, to the Trustees and the Board of Directors:

- Sarah Salati, Executive Vice President and Chief Commercial Officer, with an annual salary of \$ 240,000.00.

BACKGROUND & DISCUSSION

The appointment of officers is governed by the Authority's By-laws, Article IV, which provides that officers shall be appointed by formal resolution adopted by the Trustees upon the recommendation of the Governance Committee. Article IV further provides that officers shall hold office until his/her successor is chosen and qualified or his/her earlier removal, resignation or death.

RECOMMENDATION

For the reasons stated, the Governance Committee recommends that the Trustees and Board of Directors approve the appointment of Sarah Salati to the office of Executive Vice President and Chief Commercial Officer, effective immediately."

*President Quiniones asked Ms. Kristine Pizzo, Senior Vice President of Human Resources & Enterprise Shared Services, to brief the members regarding the search / selection process for the position.*

*Ms. Pizzo said that a search firm was retained to conduct the search and approximately 300 candidates applied. The applicants varied in experience and background, but not all were on point. In terms of the volume and the candidate pool, this was a good search.*

*The ten top candidates were selected and vetted. Out of that group, Sarah Salati was deemed the most qualified.*

*President Quiniones then asked Ms. Salati to introduce herself to the members.*

*Ms. Salati said that she was excited to be at the Authority. She said that the mission of the New York Power Authority resonates very strongly with her with respect to increasing the competitiveness and economic growth of New York State, and, ultimately, the nation, so that it can continue to be a global leader on all fronts, and not just in the energy sector.*

*With regard to her background, Ms. Salati said that she worked at the AES Corporation for 13 years where she held a range of commercial, strategic and operational roles, both in the U.S. and abroad. Most recently, she was focusing on technology and looking at emerging technologies that could be pulled through into the energy sector for improving revenue models as well as efficiencies.*

On motion made by member Dennis Trainor and seconded by member John Koelmel, the Governance Committee unanimously recommended that the Trustees and Board of Directors

**October 2, 2018**

approve the appointment of Ms. Sarah Salati to the office of Executive Vice President and Chief Commercial Officer.”

**b. Diversity and Inclusion (“D&I”) Program Update**

The Director of the Office of Civil Rights & Inclusion (“CRI”) provided the following update of New York Power Authority and the Canal Corporation’s (“NYPA/Canals”) diversity program.

“NYPA/Canals’ commitment to create and maintain a diverse workforce in which everyone feels valued is unwavering. The President and Chief Executive Officer (“CEO”), Gil Quiniones, the members of the Executive Management Committee (“EMC”) and employees enterprise-wide celebrate and leverage differences to drive a culture of innovation and growth.

If you think about the iceberg, diversity represents the portion of the iceberg that is visible as well as the part that is submerged. In the workplace, the tip of the iceberg represents inherent traits -- visible physical attributes such as race, gender, age, color. The submerged portion that emerges via interaction/conversation includes other aspects such as acquired traits that represent the whole person: religion, sexual orientation, mental and physical conditions, abilities, prior experiences, thinking styles, education as well as other distinct differences between people. Therefore, diversity is not just what you see, it is a collection of all these attributes. A diverse workplace does not simply hire workers from various age groups and balance its ratio of men to women; rather, a diverse workplace includes people with different experiences, varying personalities, and different levels of experience and skills to foster creativity and offer a range of viewpoints and ideas.

Inclusive, diverse workplaces make all employees feel comfortable being themselves because the things that make them different are respected and valued. Indeed, by encouraging diversity in all aspects of NYPA, from recruiting to cultural competency training, NYPA aims to be the company of choice in the Utility and Energy industry for applicants and employees from diverse backgrounds. NYPA’s culture of inclusion makes for an engaged and competitive workforce that will be on the cutting edge of innovation.

Putting D&I into practice is a responsibility shared by all NYPA employees and we take a “top-down” / “bottom-up” approach with four areas of focus that will establish NYPA as the employer of choice and leader in the energy industry in the D&I space.

First, is the commitment and support from NYPA’s leadership i.e., the President and CEO as well as EMC and Senior Staff. The commitment is strong and support is demonstrated through the establishment of this office-Civil Rights & Inclusion, the commitment of resources to facilitate the development and implementation of a strategy, drive awareness enterprise-wide, and procure and deliver training modules. The President and CEO and the EMC readily embraced engaging with employees through Employee Resource Groups (“ERGs”) by acting as Executive Sponsors. Their demonstrated commitment has cascaded the culture of inclusion across the organization and resulted in increased employee engagement. Everyone is accountable for adopting and embedding a culture of inclusion and, in 2019, NYPA will establish a D&I Council to measure progress and change across the company.

An inclusive culture is everyone’s responsibility, so our office identified education and training as another area of focus. In order to bring awareness about biases and other issues that affect the workplace we need to create awareness and provide top and future leaders across the organization with inclusive competencies. Through education and training, leaders will be able to identify and manage potential areas of bias and have challenging conversations and co-develop solutions with staff.

A key area of focus involves driving employee engagement through six ERGs: ECO Team, Generations, LGBTQ & Allies, Multicultural, Veterans and Women in Power. ERGs are voluntary employee-led, CRI sanctioned groups that encourage engagement and participation NYPA-wide. The CRI aims to have active, vibrant and innovative ERGs in keeping with NYPA’s vision of a more inclusive and diverse workplace. The ERGs are empowered to articulate and



highlight the value of employee-based contribution to NYPA's overall strategy. Through partnerships and collaborations, both internal and external, ERGs increase cultural competency, strengthen internal business partnerships, develop subject matter experts and refine professional development. As previously mentioned, ERGs provide opportunity, access and visibility to executive staff and drives a spirit of ally-ship and cross-collaboration across the organization.

Training and education are also key areas of focus, in addition to ERGs and leadership support. Removing bias from systems and programs are also important ways to embed D&I in the organization. For example, an LGBTQ Co-Chair reviewed and updated NYPA's employee policies to ensure the policy was equitable and reflected friendly, inclusive language. Other efforts include partnering with key stakeholders such as Recruitment and Talent Development with the goal of reviewing the talent process through a D&I lens: including hiring, promotion, performance management, leadership development, succession, and compensation.

Ultimately, D&I should be considered as part of the corporate infrastructure, similar to compliance, IT, and security; it must be practiced by everyone and owned by all leaders. D&I is a business responsibility, not an HR responsibility.

Business and cultural issues have made D&I important to NYPA and Canals. Given the culturally diverse staff, employees are naturally interested in, and impacted by a workplace that values difference. D&I, therefore, touches issues of employee engagement, fairness, human rights, and even social justice.

A growing body of research indicates that diverse and inclusive teams outperform their peers; as the leading innovative public energy company focused on reimagining Canals and becoming the first end-to-end digitized public utility, NYPA must continue to champion diverse talent. Without a strong culture of inclusion and flexibility, the team-centric model comprising diverse individuals may not perform well.

Longer careers equals a broader generational span in the workplace. Everyone expects and demands equal treatment. D&I can address these and other issues, including to facilitate communication and increased collaboration amongst each group. An engaged workforce where everyone feels valued and safe to bring their whole selves to work will result in the increased ability to attract top diverse talent, retain a diverse workforce and drive innovation in the energy Industry.

## **2018 ACCOMPLISHMENTS**

Some of the achievements over the past year include:

- First Annual Women in Power ERG Leadership Conference.
- Launch of the first LGBTQ ERG; celebration of June as LGBTQ month.
- Engaged external partners to talk about ally-ship and how to be more inclusive when we converse at work.
- Reengineering of the ERGs to include executive sponsors who will champion some of the concerns from employees. They will also act as mentors.”

Ms. Harvey thanked the members for their support of the mission and objectives of the Diversity and Inclusion office. She understands the Board's commitment to diversity and inclusion and will continue to work towards building a diverse workforce embedding an inclusive atmosphere and culture at the Authority.

6. **Next Meeting**

Acting Chair Nicandri said that the next meeting of the Governance Committee is to be determined.

**Closing**

Upon motion made by Member Dennis Trainor and seconded by Member John Koelmel, the meeting was adjourned by the Acting Chair of the Committee at approximately 9:20 a.m.

*Karen Delince*

Karen Delince  
Corporate Secretary

October 2, 2018

# **EXHIBITS**

**For**

**October 2, 2018**

**Governance Committee**

**Meeting Minutes**

## **NYPA PROCUREMENT CONTRACTS SUMMARY** **January - June 2018**

In accordance with the NYPA Guidelines for Procurement Contracts, “procurement contracts” are contracts for the acquisition of goods and/or services in the actual or estimated amount of \$5,000 or more. Such goods and/or services are those necessary to support the Authority’s White Plains office, facilities (including Canal Corporation), operations and maintenance and capital projects, including but not limited to, goods and commodities, major electrical equipment, construction, maintenance work and other services.

The following is a summary of all procurement contracts including multi-year contracts awarded through June 30, 2018. These contracts have been active during 2018 and are \$5,000 or greater in value. There were 2,481 such contracts with an estimated value of more than \$4.7 billion, not including fossil fuel or corporate finance expenditures covered in Sections 4a ii-E and 4a ii-F of this report. Total procurement expenditures in 2018 exceeded \$445 million.

The following is a breakdown of the total number of active contracts, excluding fossil fuel and corporate finance contracts, by contract type:

- 7% Construction services;
- 38% Equipment and Commodities;
- 3% Architectural and Engineering services;
- 1% Legal services;
- 15% Personal Service contracts such as professional consulting services; and
- 36% Non-Personal Service contracts such as maintenance, technicians, and contingent workforce

Based on the total value of the contracts included in this summary (\$4.7 billion), approximately 96.7% of contracts were competitively bid. Thus far in 2018, approximately 3.3% of contracts (with a total contract value of approximately \$155.6 million), were sole/single-source awards, which included over \$1.4 million in Minority- and Women-owned Business Enterprises (MWBES), Service-Disabled Veteran-Owned Businesses (SDVOBs) and NYS Small Businesses contract awards. Sole/single-source awards also included, but were not limited to, the purchase of highly specialized spare parts and services from original equipment manufacturers, procurement of services on an emergency basis and proprietary sources.

## **DISPOSAL OF PERSONAL PROPERTY** **January – June 2018**

### **January through June 2018 YTD Report of Disposal of Personal Property**

Public Authorities Law (“PAL”) § 2896, enacted as part of the Public Authorities Accountability Act of 2005 (“PAAA”), as amended by the Public Authorities Reform Act of 2009 (“PARA”), requires the Authority to prepare a report, not less frequently than annually, listing all Personal Property in excess of \$5,000 in value that was disposed of during the reporting period. Furthermore, pursuant to Subsection C.5 of the Authority’s Governance Committee Charter relating to Reports, the Vice President of Strategic Supply Management is required to report to the Committee at all regularly scheduled meetings. To that end, the 2018 YTD Report of Disposal of Personal Property over \$5,000 in value is attached. The description of the property, purchaser’s name and price received by the Authority, as required by PAL § 2896, will be presented in the official 2018 Annual Report of Disposal of Personal Property for review and approval by the full Board of Trustees at their March 2019 meeting, referenced in the Authority’s § 2800 Annual Report and included in other filings with various State entities, in compliance with applicable law. The sale price and other additional data (such as fair market value, date of transaction, full address of purchaser, etc.) required by the Authorities Budget Office (“ABO”) will be included in the 2018 Public Authorities Reporting Information System (“PARIS”) Annual Report of Personal Property Disposal for submittal to the ABO by March 31, 2019.

### **FACILITIES and WPO – Second Quarter 2018 Activity Summary**

During the reporting period, there were no personal property disposals in excess of \$5,000 in value.

### **FLEET – Second Quarter 2018 Activity Summary**

During the reporting period, the Authority participated in a Fleet-related auction conducted on behalf of the Authority’s Fleet Operations Division by the firm J.J. Kane Associates, Inc. (DBA J.J. Kane Auctioneers (of Delran, NJ) on May 5, 2018. Of the twenty-three vehicles sold for \$217,940, nine vehicles had an assessed sale price or fair market value in excess of \$5,000 and these sales resulted in payment to the Authority of \$191,350. This value is net of transportation and other fees, as fully detailed in the attached report.

### **Grand Total as of 06/30/18**

**As summarized on page 2 of the attached Report, the YTD June 2018 Grand Total “Price Received by the Authority” for all Personal Property in excess of \$5,000 was \$191,350.00.**

**POWER AUTHORITY OF THE STATE OF NEW YORK**  
**YTD JUNE 2018 REPORT OF DISPOSAL OF PERSONAL PROPERTY OVER \$5,000**

<b>DESCRIPTION</b>	<b>PURCHASER</b>	<b>SALE PRICE</b>	<b>PRICE RECEIVED by the Authority</b>
NONE			

**SUBTOTAL:           \$   0                                   \$   0**

**POWER AUTHORITY OF THE STATE OF NEW YORK**

**YTD JUNE 2018 REPORT OF DISPOSAL OF PERSONAL PROPERTY OVER \$5,000**

**FLEET OPERATIONS**

<b>DESCRIPTION</b>	<b>PURCHASER</b>	<b>SALE PRICE</b>	<b>Transportation and Other Fees</b>	<b>PRICE RECEIVED * by the Authority</b>
1999 CATERPILLAR EXCAVATOR	MCGREW EQUIPMENT	\$ 58,500.00	\$ 100.00	\$58,400.00
2005 PETERBILT 335 TRUCK	TIOGA CONSTRUCTION COMPANY INC	\$ 49,000.00	\$ 100.00	\$48,900.00
2009 FORD F150 PICKUP	BRAVO AUTO SALES INC	\$ 9,500.00	\$ 100.00	\$ 9,400.00
2009 FORD F150 PICKUP	ELDU ENERGY SERVICES CORPORATION	\$ 9,250.00	\$ 100.00	\$ 9,150.00
2010 CHEVROLET TAHOE	DANNI MILLER	\$ 8,500.00	\$ 100.00	\$ 8,400.00
2011 CHEVROLET SUBURBAN	SEMIR MUJIC	\$ 12,250.00	\$ 100.00	\$12,150.00
2011 FORD F250 PICKUP	SUPPLY WAGON RENTALS LLC	\$ 14,250.00	\$ 100.00	\$14,150.00
2015 CHEVROLET TAHOE	ICAR AUTO SALES LLC	\$ 15,500.00	\$ 100.00	\$15,400.00
2015 CHEVROLET TAHOE	ICAR AUTO SALES LLC	\$ 15,500.00	\$ 100.00	\$15,400.00
	<b>FLEET SUBTOTAL:</b>	<b>\$ 192,250.00</b>	<b>\$ 900.00</b>	<b>\$ 191,350.00</b>
	<b>+ SUBTOTAL Page 1:</b>	<b><u>\$ 0</u></b>	<b>--</b>	<b><u>\$ 0</u></b>
	<b>GRAND TOTAL:</b>	<b><u>\$ 192,250.00</u></b>	<b>\$ 900.00</b>	<b><u>\$ 191,350.00</u></b>

\* Sale Price less transportation and other costs. Includes items where the Sale Price and/or the estimated Fair Market Value exceeded \$5,000.



## **SUPPLIER DIVERSITY PROGRAM (SDP)** **January – June 2018**

From January 1, 2018 to June 30, 2018 the Authority and the Canal Corporation expended \$31.5 million, or 22%, of its reportable expenditures to New York State-certified Minority- / Women-owned Business Entities (“M/WBEs”). This includes direct contracts and subcontracts, as well as construction and energy efficiency-related work. Additionally, Treasury transactions with NYS-certified M/WBE financial dealers for the same period resulted in \$161.3 million, or 30.1%, in principal sales and purchases for the Authority.

Service-Disabled Veteran-Owned Business (“SDVOB”) utilization for the period January 1, 2018 to June 30, 2018 was approximately \$1.2 million, or 10%, of designated spend. Additionally, SDVOB financial dealers transacted over \$138 million, or 26%, in principal sales and purchases during the same period.

The Authority submitted a more appropriate and attainable 2018 Goal Plan of 22% after a thorough assessment of contributing factors that have challenged the Authority in meeting the States’ aggressive 30% M/WBE goal. These factors included the conclusion of multiple energy efficiency contracts, limited diverse suppliers able to meet the needs of the Canal Corporation and NYPA’s unique position as an energy producing utility. However, management is confident that the new procurement model, proper procurement goal assessment, enhanced tracking and reporting of M/WBEs and SDVOBs along with the revised approaches in determining M/WBE goal participation will collectively provide the Authority continued success in providing opportunities to diverse suppliers.

The Authority continues to work diligently with Empire State Development (“ESD”) and the Office of General Services to meet their respective legislative requirements. NYPA SDP management is aggressively working with ESD’s Business Development Unit to create a Mentor-Protégé Program and to identify new diverse suppliers who can support the upcoming needs of the Authority’s Design Build initiatives. NYPA SDP hosted a Purchasing Exchange in June 2018 where over 30 exhibitors (state agencies/authorities and prime contractors as well as over 175 diverse suppliers) were in attendance. NYPA SDP has participated, as an exhibitor, in seven supplier diversity outreach events to date, and will participate in the upcoming 2018 M/WBE Forum and the 2018 VetCon events in Albany.

Please note that the compliance and reportable expenditure values in this summary were generated for internal tracking purposes based on NYPA’s calendar year reporting, and may not be in alignment with approved NYS fiscal year measures.

**INVENTORY STATISTICS**  
**June 30, 2018**

Facility	6/30/18	6/30/17	6/30/16
Niagara	17,595,593	18,159,715	18,146,386
St. Lawrence	15,515,879	15,369,791 <sup>(A)</sup>	14,016,080
Poletti Project	12,332,051 <sup>(B)</sup>	8,957,316	9,053,958
Flynn Project	8,153,792	7,391,615	7,083,189
Blenheim-Gilboa	9,753,402	9,126,474	8,516,384
500 MW Project	27,397,902	26,938,226 <sup>(C)</sup>	25,936,090
Clark Energy Center	6,459,245	6,406,701	6,285,037
Canal Corporation	784,749	722,566	N/A
Total Stock Value	\$ 97,992,613	\$ 93,072,404	\$ 89,137,124

- 
- (A) 2017 Includes \$1.3 million for STL net purchases of:
- |  |          |
|--|----------|
| 765KV Disconnect Switches & Structure Supports | \$1,131K |
| 230KV CT/VT Transformers                       | \$ 213K  |
- (B) 2018 Includes \$2.9 million for POL net purchases of:
- |  |        |
|--|--------|
| Okonite HPFF Cable for Y49 /LISC application | \$2.7M |
| CO Catalyst                                  | \$120K |
| Voltage Regulators                           | \$103K |
- (C) 2017 Includes \$592K for 500MW net purchases of:
- |                    |        |
|--------------------|--------|
| Bull Gears         | \$194K |
| Volutes & Gas Seal | \$161K |
| Rotor Parts        | \$145K |
| Worm Gear          | \$ 92K |

**POWER AUTHORITY OF THE STATE OF NEW YORK  
FOSSIL FUELS ACTIVITY  
JANUARY - JUNE 2018**

Exhibit 4a ii-E  
October 2, 2018

**REQUIRED BY N.Y. PUBLIC AUTHORITIES LAW, SECTION 2879**

CONTRACT NUMBER	PROVIDER NAME	CONTRACT DESCRIPTION	T Y P E	M O A	R A	O P A	M W B E	B I D S	TOTAL EXPENDED TO DATE	TOTAL EXPENDED TO DATE	AMOUNT EXPENDED 2018	CONTRACT BALANCE	DATE OF CONTRACT	O/C	PROJ COMPLETE DATE	DATE CONTRACT COMPLETE
FD-1990-33	Northville Industries Corp. NIC 25 Melville Park Road Melville NY 117470398	Oil Storage Agreement	E	1		N	N		\$15,638,204	\$15,638,204	\$297,941	\$0	4/1/1994		3/31/2019	
FD-1990-34	Northville Industries Corp. NIC 25 Melville Park Road Melville NY 117470398	Oil Storage Agreement	E	1		N	N		\$4,721,573	\$4,721,573	\$72,658	\$0	10/1/1993		3/31/2019	
FD-2002-11	PSEG Energy Resources & Trade LLC 80 Park Plaza Floor T-19 Newark NJ 07102	NAESB Agreement for Natural Gas	E	B		F	N	34	\$11,017,721	\$11,017,721	\$0	\$0	11/1/2002		*	
FD-2003-09	J. Aron and Company 85 Broad Street New York NY 10004	NAESB Agreement for Natural Gas	E	B		N	N	34	\$83,241,402	\$83,241,402	\$0	\$0	4/22/2003		*	
FD-2003-10	BP Energy Company 201 Helios Way Houston TX 77079	NAESB Agreement for Natural Gas	E	B		F	N	34	\$213,608,453	\$213,608,453	\$2,665,373	\$0	10/1/2004		*	
FD-2003-12	Exelon Generation Company, LLC 1310 Point Street Baltimore MD 21231	NAESB Agreement for Natural Gas	E	B		F	N	34	\$55,860,651	\$55,860,651	\$0	\$0	6/9/2003		*	
FD-2003-13	Merrill Lynch Commodities, Inc. 20 East Greenway Plaza Houston TX 77046	NAESB Agreement for Natural Gas	E	B		F	N	34	\$2,526,065	\$2,526,065	\$809,656	\$0	11/1/2003		*	
FD-2003-14	Colonial Energy Inc. 3975 Fair Ridge Drive Fairfax VA 22033	NAESB Agreement for Natural Gas	E	B		F	N	34	\$516,128,361	\$516,128,361	\$1,783,683	\$0	7/1/2003		*	
FD-2003-15	Virginia Power Energy Mktg P.O. Box 25773 Richmond VA 23260	NAESB Agreement for Natural Gas	E	B		F	N	34	\$629,265,426	\$629,265,426	\$0	\$0	7/11/2003		*	
FD-2004-08	Shell Energy North America (US), L.P. 1000 Main Street Houston TX 77002	NAESB Agreement for Natural Gas	E	B		F	N	34	\$84,192,427	\$84,192,427	\$0	\$0	4/1/2004		*	
FD-2005-12	NJR Energy Services Co 1415 Wyckoff Road Wall NJ 07719	NAESB Agreement for Natural Gas	E	B		F	N	34	\$442,146,504	\$442,146,504	\$6,336,868	\$0	9/1/2005		*	
FD-2007-10	Eastern Generation, LLC 18-01 20th Avenue Astoria NY 11105	Oil Delivery Labor Fees	E	1		N	N		\$60,771	\$60,771	\$0	\$0	7/1/2006		*	
FD-2008-05	Sequent Energy Mgmt LP 1200 Smith Street Houston TX 77002	NAESB Agreement for Natural Gas	E	B		F	N	34	\$37,417,610	\$37,417,610	\$821,949	\$0	3/1/2008		*	
FD-2008-06	Macquarie Energy LLC 500 Dallas Street Houston TX 77002	NAESB Agreement for Natural Gas	E	B		F	N	34	\$47,096,447	\$47,096,447	\$0	\$0	7/1/2008		*	
FD-2008-09	Con Edison 4 Irving Place New York NY 10003	LDC Agreement	E	1		N	N		\$25,218,645	\$25,218,645	-\$937,120	\$0	8/1/2008		6/30/2019	
FD-2008-10	United Energy Trading, LLC 215 Union Boulevard Lakewood CO 80228	NAESB Agreement for Natural Gas	E	B		F	N	34	\$159,002,299	\$159,002,299	\$656,979	\$0	11/19/2008		*	
FD-2009-07	Conoco Phillips Company 600 North Dairy Ashford Houston TX 77079	NAESB Agreement for Natural Gas	E	1		F	N	34	\$44,685,937	\$44,685,937	\$950,648	\$0	5/1/2009		*	
FD-2009-08	NextEra Energy Power Marketing, LLC 700 Universe Blvd Juno Beach FL 33408	NAESB Agreement for Natural Gas	E	B		F	N	34	\$13,691,991	\$13,691,991	\$3,538,156	\$0	12/1/2009		*	

**POWER AUTHORITY OF THE STATE OF NEW YORK  
FOSSIL FUELS ACTIVITY  
JANUARY - JUNE 2018**

Exhibit 4a ii-E  
October 2, 2018

**REQUIRED BY N.Y. PUBLIC AUTHORITIES LAW, SECTION 2879**

CONTRACT NUMBER	PROVIDER NAME	CONTRACT DESCRIPTION	T Y P E	M O A	R A	O P A	M B I D S	TOTAL EXPENDED TO DATE	TOTAL EXPENDED TO DATE	AMOUNT EXPENDED 2018	CONTRACT BALANCE	DATE OF CONTRACT	O/C	PROJ COMPLETE DATE	DATE CONTRACT COMPLETE
FD-2010-02	ENSTOR Energy Services, LLC 2200 Atlantic St Ste 800 Stamford CT 06902	NAESB Agreement for Natural Gas	E	B		F	N 34	\$24,322,022	\$24,322,022	\$6,341,348	\$0	8/9/2010		*	
FD-2011-06	EDF Trading North America, LLC 601 Travis St Ste 1700 Houston TX 77002	NAESB Agreement for Natural Gas	E	B		F	N 34	\$195,897,588	\$195,897,588	\$2,168,815	\$0	6/1/2011		*	
FD-2011-10	Tenaska Gas Storage, LLC 14302 FNB Parkway Omaha NE 68154	NAESB Agreement for Natural Gas	E	B		F	N 34	\$1,251,315	\$1,251,315	\$0	\$0	12/1/2011		*	
FD-2011-11	Equinor Natural Gas LLC 120 Long Ridge Road Stamford CT 06902	NAESB Agreement for Natural Gas	E	B		F	N 34	\$18,684,302	\$18,684,302	\$0	\$0	4/18/2012		*	
FD-2012-02	Repsol Energy North America Corporation 2455 Technology Forest Rd The Woodlands TX 77381	NAESB Agreement for Natural Gas	E	B		F	N 34	\$38,198,810	\$38,198,810	\$0	\$0	11/13/2012		*	
FD-2013-06	Chesapeake Energy Marketing, LLC P.O. Box 18496 Oklahoma City OK 73154-0496	NAESB Agreement for Natural Gas	E	B		F	N 34	\$39,970,887	\$39,970,887	\$2,362,679	\$0	5/28/2013		*	
FD-2014-08	Spark Energy Gas, LLC 12140 Wickchester Lane Houston TX 77079	NAESB Agreement for Natural Gas	E	B		F	N 34	\$299,598,650	\$299,598,650	\$18,659,944	\$0	2/1/2014		*	
FD-2014-12	EQT Energy, LLC 625 Liberty Ave Pittsburgh PA 15222-3111	NAESB Agreement for Natural Gas	E	B		F	N 34	\$364,556	\$364,556	\$220,025	\$0	5/1/2014		*	
FD-2014-16	Pacific Summit Energy LLC 2010 Main Street Irvine CA 92614	NAESB Agreement for Natural Gas	E	B		F	N 34	\$60,935,885	\$60,935,885	\$14,302,600	\$0	8/11/2014		*	
FD-2015-03	Cabot Oil & Gas Corporation 840 Gessner Road Houston TX 77024-4152	NAESB Agreement for Natural Gas	E	B		F	N 34	\$2,439,304	\$2,439,304	\$0	\$0	3/2/2015		*	
FD-2015-05	DTE Energy Trading, Inc. 414 South Main Street Ann Arbor MI 48104	NAESB Agreement for Natural Gas	E	B		F	N 34	\$49,035,248	\$49,035,248	\$10,936,334	\$0	8/14/2015		*	
FD-2015-07	Definite Energy Group 575 Lexington Ave New York NY 10022	NAESB Agreement for Natural Gas	E	B		N	3 34	\$385,895	\$385,895	\$0	\$0	10/1/2015		*	
FD-2015-10	Direct Energy Business Marketing, LLC 194 Wood Ave South Iselin NJ 08830	NAESB Agreement for Natural Gas	E	B		F	N 34	\$1,326,708	\$1,326,708	\$170,650	\$0	12/14/2015		*	
FD-2016-01	Saybolt LP P.O. Box 844640 Dallas TX 75284	Oil Inspection Agreement	P	B		N	N N	\$19,242	\$19,242	\$10,236	\$0	1/1/2017		12/31/2019	
FD-2016-02	Astoria Energy II LLC 1710 Steinway Street Astoria NY 11105	AEII Demand Charges	E	1		N	N N	\$13,694	\$13,694	\$2,863	\$0	5/1/2016		4/30/2019	
FD-2016-07	National Grid - LI 100 East Old Country Road Hicksville NY 11801	LDC Agreement (Flynn)	E	1		N	N N	\$1,013,834	\$1,013,834	\$46,303	\$0	4/1/2017		3/31/2019	
FD-2018-07	Astoria Energy II LLC 1710 Steinway Street Astoria NY 11105	AEII Spill Tax Reimbursement	E	1		N	N N	\$12,341	\$12,341	\$12,341	\$0	2/16/2018	O	4/30/2019	
FD-2018-12	Transco P.O. BOX 201371 Houston TX 77216	Firm Gas Transportation Agreement	E	1		F	N N	\$258,484	\$258,484	\$258,484	\$0	5/1/2018	O	5/1/2019	

**POWER AUTHORITY OF THE STATE OF NEW YORK  
FOSSIL FUELS ACTIVITY  
JANUARY - JUNE 2018**

Exhibit 4a ii-E  
October 2, 2018

**REQUIRED BY N.Y. PUBLIC AUTHORITIES LAW, SECTION 2879**

CONTRACT NUMBER	PROVIDER NAME	CONTRACT DESCRIPTION	T Y P E	M O A	R O A	O P A	M W B E S	B I D	TOTAL EXPENDED TO DATE	TOTAL EXPENDED TO DATE	AMOUNT EXPENDED 2018	CONTRACT BALANCE	DATE OF CONTRACT	O/C	PROJ COMPLETE DATE	DATE CONTRACT COMPLETE
FD-2018-13	Engie Energy Marketing NA, Inc. 1990 Post Oak Blvd Houston TX 77058	NAESB Agreement for Natural Gas	E	B		F	N	34	\$28,290	\$28,290	\$28,290	\$0	4/12/2018	O	*	
FD-2018-16	National Grid - NY 1 Metrotech Centre Brooklyn NY 11201	LDC Agreement	E	1		N	N		\$203,014	\$203,014	\$203,014	\$0	6/1/2018	O	5/31/2019	
FD-2018-17	National Grid - LI 100 East Old Country Road Hicksville NY 11801	LDC Agreement (Brentwood)	E	1		N	N		\$110,306	\$110,306	\$110,306	\$0	6/1/2018	O	5/31/2019	
FD-2018-01	George E. Warren Corp 3001 Ocean Drive Vero Beach FL 32963	Oil Letter Contract	E	B		F	N		\$5,179,724	\$5,179,724	\$5,179,724	\$0	1/2/2018	C	1/5/2018	1/5/2018
FD-2018-03	Apex Oil 8235 Forsyth Blvd. Saint Louis MO 63105	Oil Letter Contract	E	B		F	N		\$4,343,630	\$4,343,630	\$4,343,630	\$0	1/2/2018	C	1/7/2018	1/7/2018
FD-2018-04	Apex Oil 8235 Forsyth Blvd. Saint Louis MO 63105	Oil Letter Contract	E	B		F	N		\$4,529,343	\$4,529,343	\$4,529,343	\$0	1/9/2018	C	1/11/2018	1/11/2018
FD-2018-05	Apex Oil 8235 Forsyth Blvd. Saint Louis MO 63105	Oil Letter Contract	E	B		F	N		\$4,544,427	\$4,544,427	\$4,544,427	\$0	1/12/2018	C	1/18/2018	1/18/2018
FD-2016-05	Transco P.O. BOX 201371 Houston TX 77216	Firm Gas Transportation Agreement	E	1		F	N		\$1,685,616	\$1,685,616	\$511,990	\$0	4/1/2017	C	3/31/2018	4/30/2018
FD-2018-06	George E. Warren Corp 3001 Ocean Drive Vero Beach FL 32963	Oil Letter Contract	E	B		F	N		\$4,289,943	\$4,289,943	\$4,289,943	\$0	1/19/2018	C	1/27/2018	1/27/2018
FD-2017-01	National Grid - NY 1 Metrotech Centre Brooklyn NY 11201	LDC Agreement	E	1		N	N		\$2,927,935	\$2,927,935	\$1,164,704	\$0	6/1/2017	C	5/31/2018	5/31/2018
FD-2017-02	National Grid - LI 100 East Old Country Road Hicksville NY 11801	LDC Agreement (Brentwood)	E	1		N	N		\$1,310,665	\$1,310,665	\$553,229	\$0	6/1/2017	C	5/31/2018	5/31/2018
<b>FUELS TOTALS</b>									<b>\$3,148,402,143</b>	<b>\$3,148,402,143</b>	<b>\$97,948,013</b>					

\* Contract continues until terminated by NYPA or counterparty upon specified notice

POWER AUTHORITY OF THE STATE OF NEW YORK  
CORPORATE FINANCE ACTIVITY  
JANUARY THROUGH JUNE 2018  
REQUIRED BY N.Y. PUBLIC AUTHORITIES LAW, SECTION 2879

Exhibit 4a ii-F  
October 2, 2018

PROVIDER NAME	CONTRACT DESCRIPTION	T Y P E	M O A	R A	O A	M P A	B E	D S	TOTAL CONTRACT AMOUNT	TOTAL EXPENDED TO DATE	AMOUNT EXPENDED 2018	CONTRACT BALANCE	DATE OF CONTRACT	O C	PROJ COMPLETE DATE	DATE CONTRACT COMPLETE
Bank of New York (formely JPMorgan) 101 Barclay Street New York, NY 10286	Trustee/Paying Agent Services on Bonds	S	C	9	N				530,488	530,488	15,257	-	2/24/1998	O	*	
Bank of New York (formerly JPMorgan) 101 Barclay Street New York, NY 10286	Trustee- Commercial Paper	S	C	9	N				236,382	236,382	6,775	-	10/2/2006	O	*	
Barclays Capital (assigned from Lehman Bros.) ** 745 Seventh Avenue New York, NY 10019	Re-marketing Agent CP-1	S	C	9	N				1,951,834	1,951,834	59,564	-	7/14/1994	O	*	
Barclays Capital (assigned from Lehman Bros.) 745 Seventh Avenue New York, NY 10019	Re-marketing Agent CP-3	S	C	9	N				10,775	10,775	-	-	6/26/2008	O	*	
Citigroup 390 Greenwich Street New York, NY 10013	Re-marketing Agent CP-2	S	C	9	N				1,123,998	1,123,998	28,686	-	12/4/1997	O	*	
Goldman, Sachs & Co. 85 Broad Street New York, NY 10004-2456	Re-marketing Agent CP-2 and 3	S	C	9	N				1,131,695	1,131,695	23,851	-	12/4/1997	O	*	

POWER AUTHORITY OF THE STATE OF NEW YORK  
CORPORATE FINANCE ACTIVITY  
JANUARY THROUGH JUNE 2018  
REQUIRED BY N.Y. PUBLIC AUTHORITIES LAW, SECTION 2879

Exhibit 4a ii-F  
October 2, 2018

PROVIDER NAME	CONTRACT DESCRIPTION	T Y P E	M O A	R A A	O P A	M B E	B D S	TOTAL CONTRACT AMOUNT	TOTAL EXPENDED TO DATE	AMOUNT EXPENDED 2018	CONTRACT BALANCE	DATE OF CONTRACT	O C	PROJ COMPLETE DATE	DATE CONTRACT COMPLETE
Goldman, Sachs & Co. 85 Broad Street New York, NY 10004-2456	Re-marketing EMCP	S	C	9	N			945,959	945,959	4,445	-	3/4/2003	O	*	
JPMorgan Chase 270 Park Avenue New York, NY 10017-2070	Re-marketing Agent CP-2	S	C	9	N			348,968	348,968	21,566	-	6/28/2001	O	*	
JPMorgan Chase 270 Park Avenue New York, NY 10017-2070	Re-marketing Agent CP-3	S	C	9	N			647,647	647,647	6,042	-	12/4/1997	O	*	
JPMorgan Chase 270 Park Avenue New York, NY 10017-2070	Escrow Agent POCR/CASP & LMEI Funds	S	C	9	N			572,624	572,624	13,780	-	5/30/1996	O	*	
JPMorgan Chase 270 Park Avenue New York, NY 10017-2070	Revolving Line of Credit 2015	S	C	9	N		2	9,413,666	9,413,666	1,287,000	-	1/15/2015	O	1/19/2018	

POWER AUTHORITY OF THE STATE OF NEW YORK  
CORPORATE FINANCE ACTIVITY  
JANUARY THROUGH JUNE 2018  
REQUIRED BY N.Y. PUBLIC AUTHORITIES LAW, SECTION 2879

Exhibit 4a ii-F  
October 2, 2018

PROVIDER NAME	CONTRACT DESCRIPTION	T Y P E	M O A	R A	O A	M P A	B E	I S	TOTAL CONTRACT AMOUNT	TOTAL EXPENDED TO DATE	AMOUNT EXPENDED 2018	CONTRACT BALANCE	DATE OF CONTRACT	O C	PROJ COMPLETE DATE	DATE CONTRACT COMPLETE
Morgan Stanley 1221 Avenue of the Americas New York, NY 10020	Re-marketing Agent CP-1	S	C	8	N			7	458,008	458,008	7,465	-	3/31/2009	O	*	
RBC Capital Markets ** 1211 Avenue of the Americas New York, NY 10036	Re-marketing Agent CP-1	S	C	9	N				757,269	757,269	28,965	-	7/14/1994	O	*	
CORPORATE FINANCE TOTALS									<u>18,129,314</u>	<u>18,129,314</u>	<u>1,503,395</u>	<u>-</u>				

NOTES:

\* Contract continues until terminated by NYPA or Counterparty upon specified notice

\*\* Expense History only available from 1997



## **TRANSFER OF INTEREST IN PERSONAL PROPERTY TO CANAL CORPORATION**

**January – June 2018**

### **2018 YTD Report of Transfer of Interest in Personal Property to Canal Corporation**

Effective January 1, 2017, management and administration of the New York State Canal Corporation is an additional corporate purpose of the Authority. New York Public Authorities Law § 1005-b (2) authorizes the Authority to “transfer to the canal corporation any moneys, real, personal, or mixed property or any personnel in order to carry out the purposes of this section...” to the extent that the Authority’s Trustees deem it feasible and advisable. Under Public Authorities Law Title 5-A Disposition of Property by Public Authorities, the Trustees annually designate a contracting officer as part of their approval of the Guidelines for the Disposal of New York Power Authority Personal Property.

The Trustees’ authorized, on January 31, 2017, the Authority’s personal property Contracting Officer to transfer any interest in Authority personal property to the Canal Corporation, as the Contracting Officer deems prudent after balancing the respective needs of the Authority and the Canal Corporation, will facilitate the Canal Corporation’s obligations to operate, maintain, construct, reconstruct, improve and develop the canal system. The Contracting Officer will authorize the transfer of Authority personal property or any interest therein only at the request of Canal Corporation. The Contracting Officer will authorize the transfer to Canal Corporation any interest in Authority personal property, valued at up to \$500,000 per transaction, in parity with the authorization level and signing authority set forth in the Guidelines for the Disposal of New York Power Authority Personal Property. Additionally, the Contracting Officer will report to the Trustees or committee thereof regarding such property transfers. To that end, the 2018 YTD Report Transfer of Interest in Personal Property to Canal Corporation less than \$500,000 in value is attached.

### **FLEET – Second Quarter 2018 Activity Summary**

In response to a Canal Corporation request for certain Fleet assets, and subsequent to the demonstrating a need for these assets, the Contracting officer approved the transfer of ten Fleet vehicles, valued at \$216,932, as described in the attached report in furtherance of Canal Corporation’s operation, maintenance, construction, reconstruction, improvement and development of the canal system.

### **OTHER PERSONAL PROPERTY– Second Quarter 2018 Activity Summary**

During the reporting period, there were no other personal property transfers to Canal Corporation.

### **Grand Total as of 6/30/18**

**As summarized on the attached Report, the January through June 2018 Grand Total “Value of Interest in Personal Property Transferred to Canal Corporation” for all Personal Property less than or equal to \$500,000 authorized by the Contracting Officer was \$216,932.**

POWER AUTHORITY OF THE STATE OF NEW YORK

2018 YTD JUNE REPORT OF TRANSFER OF INTEREST IN PERSONAL PROPERTY TO CANAL CORPORATION LESS THAN OR EQUAL TO \$500,000

FLEET OPERATIONS

<u>DESCRIPTION</u>	<u>VIN</u>	<u>UNIT #</u>	<u>TRANSFER DATE</u>	<u>Transfer Value Recorded by the Authority</u>
2017 JLG E400AJPN MANLIFT	300221731	17M3	2/23/2018	\$ 41,770
2006 CATEPILLAR D5GX DOZER	CAT00D5GVWGB03200	XT45	3/19/2018	\$ 47,000
2006 CATEPILLAR D5GX DOZER	CAT00D5GTRKG02945	XT49	3/19/2018	\$ 47,000
2008 FORD ESCAPE	1FMCU59H88KA36991	H446	3/19/2018	\$ 5,362
2008 FORD F350 PICKUP	1FTWW31R68EC78746	P453	3/19/2018	\$ 12,525
2009 DODGE DURANGO	1D8HB38P99F715337	09S424	3/19/2018	\$ 6,475
2011 CHEVY TAHOE	1GNSKDFJ6BR300982	11H40	3/19/2018	\$ 15,625
2012 CHEVY TAHOE	1GNSKDEJ6CR249664	12H1	3/19/2018	\$ 15,600
2012 FORD F150 PICKUP	1FTNF1EF4CKD70397	12P65	3/19/2018	\$ 10,050
2012 FORD F250 PICKUP	1FT7W2B68CEC13778	12P03	3/19/2018	\$ 15,525
<b>SUBTOTAL:</b>				<b>\$ 216,932</b>

POWER AUTHORITY OF THE STATE OF NEW YORK

2018 YTD JUNE REPORT OF TRANSFER OF INTEREST IN PERSONAL PROPERTY TO CANAL CORPORATION  
LESS THAN OR EQUAL TO \$500,000

OTHER PERSONAL PROPERTY

DESCRIPTION	Transfer Value Recorded by the Authority
NONE	\$ 0
<hr/> <b>SUBTOTAL:</b>	
\$ 0	
+ SUBTOTAL Page 1:	
<u>\$ 216,932</u>	
<b>GRAND TOTAL:</b>	
<u><u>\$ 216,932</u></u>	

## **ACQUISITION AND DISPOSAL OF REAL PROPERTY** **January 1– September 13, 2018**

Section 2896 of the Public Authorities Law (PAL) requires a report setting out all real property transactions of the Authority over a given reporting period. Such report shall consist of a list and full description of all real property disposed of during such period. The report shall contain the price received by the Authority and the name of the purchaser. There is no monetary threshold, so all disposals regardless of value need to be reported. In addition, acquisitions and leasing transactions are also included in this report. All acquisitions and dispositions reported herein were approved by the Authority's Trustees and/or are consistent with current Trustee-approved Expenditure Authorization Procedures. The reporting period is January 1 – September 13, 2018.

### I. ACQUISITIONS

#### 1.) Acquisitions by Deed or Easement:

None this Reporting Period.

#### 2.) Danger Tree Permits:

During this reporting period, the Authority acquired 35 danger tree permits. These rights allow the Authority to eliminate dangerous vegetation which is critical to the safe operation of the New York State transmission grid. The transmission facilities covered by these danger tree permits include the Niagara-Adirondack, Fitz-Edic, Moses-Willis, and Gilboa-New Scotland.

### II. DISPOSITIONS

#### 1.) Dispositions by Deed or Easement:

Paul and Lucille Izzo - Conveyance of 4.8 acres of surplus land (Parcel No. 524) in the Town of Gilboa, Schoharie County to Paul and Lucille Izzo on January 8, 2018. The consideration was \$10,000. This transaction was authorized by the Authority's Board of Trustees in their July 2017 meeting. The deed was recorded on January 8, 2018.

Grant of Easement to the Town of Waddington – Granted non-exclusive permanent access road easements over and across certain lands located in the Town of Waddington, St. Lawrence County to the Town of Waddington (Map No. 146-C, Parcel No.'s 2880-a-f). The easements are comprised of approximately 6.0 acres of landlocked Authority land and enable the Town of Waddington to facilitate future development. The easements

were approved by Authority's Board of Trustees at their July 2017 meeting and recorded on March 15, 2018.

Disposal of Surplus Land to City of New York – During this reporting period Authority conveyed 117 acres of surplus land to New York City Department of Environmental Protection in the Town of Prattsville, Greene County. The consideration for this transaction was \$293,740.00 and the deed was recorded on May 16, 2018. This transaction was approved by Authority's Board of Trustees at their January 2017 meeting.

Grant of Easement to Niagara Mohawk Power Corporation, Verizon New York Incorporated, and Charter Communications – Granted an easement to bring utilities to Authority's Emergency Energy Control Center in New Hartford, New York on March 26, 2018. There was no consideration for this transaction.

### III. MISCELLANEOUS TRANSACTIONS

City of New York- During this reporting period Authority executed a Termination and Release of Easement to the City of New York, acting by and through its Department of Environmental Protection for three easements in the Town of Mount Pleasant, County of Westchester (Map No. 1, Parcel No. 1; Map No.2, Parcel No. 2; Map No. 3, Parcel No. 3). The three easements were originally for access and operation of the now ceased Kensico Hydroelectric Power Plant. The Termination and Release of Easement was recorded on January 22, 2018.

WeWork – On March 29, 2018, Authority amended its WeWork Membership Agreement for office space at 575 5<sup>th</sup> Avenue in New York City to extend the term for a two-year membership agreement expiring April 30, 2020. This transaction was approved by the Board of Trustees' at the March 2018 Trustee meeting.

Kellman and Braunstein- During this reporting period, Attorneys Nancy D. Kellman and Lawrence Jay Braunstein, Esq. terminated their permit for use of office space on the 17<sup>th</sup> floor of Authority's 123 Main Street building in White Plains, New York. The lease terminated on June 1, 2018.

### IV. LEASING

#### 1) Landlord Leases:

St. Lawrence County- Municipal Leases- During this reporting period, Authority entered into new leases for recreational facilities in St. Lawrence County in fulfillment of the Recreational Plan appended to the 2003 renewal of the Federal Energy Regulatory Commission ("FERC") license for operation of the St. Lawrence-FDR Power Project. The Authority has leased the premises to the municipalities in support of FERC license requirements since the initial construction and licensing of the St. Lawrence Power Project in the late 1950's and early 1960's. The lease renewals were approved by

Authority's Board of Trustees at their May 2017 meeting. Authority entered into the following new leases for the facilities, each for no consideration and with 20-year terms:

- I. Lessor: New York Power Authority (NYPA)  
Lessee: Village of Waddington  
This lease is for the operation of a public park in the Village of Waddington, St. Lawrence County. This lease was entered into on June 22, 2018.
- II. Lessor: New York Power Authority (NYPA)  
Lessee: Village of Waddington  
This lease is for the use of approximately 38 boat slips for the operation of a public boat mooring facility in the Village of Waddington, St. Lawrence County. This lease was entered into on June 22, 2018.
- III. Lessor: New York Power Authority (NYPA)  
Lessee: Town of Waddington  
This lease is for the operation of a public beach in the Town of Waddington, St. Lawrence County. This lease was entered into on April 12, 2018.
- IV. Lessor: New York Power Authority (NYPA)  
Lessee: Town of Massena  
This lease is for the operation of a public beach in the Town of Massena, St. Lawrence County. This lease was entered into on June 4, 2018.

AssuredPartners Northeast, LLC- On May 25, 2018 AssuredPartners Northeast, LLC (successor-in-interest to Assured SKCG, Inc.) executed a first amendment of Lease for the addition of 3,000 square feet of office space on the 14<sup>th</sup> floor of Authority's 123 Main Street building in White Plains, New York.

Massena Country Club – During this reporting period the Real Estate Department entered into a lease agreement with the Massena Country Club, for approximately 201 acres of land located in the Town of Louisville, County of St. Lawrence for the operation and maintenance of an existing golf course facility. The initial annual rent is \$2,000.00 and the lease carries a ten year term. The Board of Trustees approved this lease at their May 2017 meeting.

2) Tenant Leases:

Griffon Riverfront Park, Inc. - On February 1, 2018, the Real Estate Department entered into a new lease with Griffon Riverfront Park, Inc. for the lease of a portion of their property to continue to serve as the site for a water gauging station in the City of Niagara Falls. The authority has leased this site since 2002. The existing lease expired in 2017. The term of the new lease is five years, with two successive 5-year options, at a yearly fee of \$4,800.00.

Seaway Timber Harvesting, Inc. – On August 20, 2018, the Real Estate Department entered into a lease with Seaway Timber Harvesting, Inc. for the lease of a warehouse building in Massena, New York. The Authority has leased the premises since 2001. The existing lease was set to expire on August 31, 2018. The lease term is five years with an expiration date August 31, 2023 and a four year extension option. The annual rent is \$53,000.00.

V. ST. LAWRENCE RELICENSING

1.) St. Lawrence Lands Program:

On October 31, 2001, the Authority filed an application for a new license, pursuant to Sections 4(e) and 15 of the Federal Power Act for the continued operation and maintenance of the 912 megawatt (MW) St. Lawrence/FDR Power Project. On February 6, 2003, the Authority filed a "Comprehensive Accord" (Settlement Agreement). On October 23, 2003, the Federal Energy Regulation Commission (hereinafter "FERC") issued an "Order Approving Settlement Agreements, Dismissing Complaint and Issuing New License" in which FERC *inter alia* approved the Settlement Agreement.

As part of the Settlement Agreement, the Authority agreed to several changes to the Project boundary. These proposed changes removed approximately 1,340 acres from the Project. Approximately 599 acres of the removed lands are intended to be conveyed either to adjoining landowners or to the affected local municipality, if interested. For all conveyed lands, the Authority retains flowage and access easements, to provide necessary rights to traverse conveyed lands for Project-related activities.

<b>DEEDS FILED</b>						
<b>NYPA Surplus Map No.</b>	<b>NYPA Surplus Parcel No.</b>	<b>Current Owner Name</b>	<b>Acreage</b>	<b>Appraisal Value</b>	<b>Filing Date</b>	<b>Town</b>
1146C	8379	Lawrence W. Thomas	0.87	\$6,100.00	4-30-2018	Waddington
1146C	8380	Lawrence W. Thomas	0.40	\$2,000.00	4-30-2018	Waddington
1158C	8381	Lawrence W. Thomas	0.21	\$100.00	4-30-2018	Waddington
1158C	8382	Lawrence W. Thomas	0.42	\$2,000.00	4-30-2018	Waddington
1132C	8583	The Town of Louisville	0.71	\$85,000.00	5-31-2018	Louisville
1148C	8375	Gilbert E. and Janet M. Simons	0.15	\$2,250.00	6-13-2018	Waddington
1173C	8577	Patricia P. Tyo and Jeffery W. Tyo, as Co-Trustees of the Jeffery W. Tyo Family Benefit Trust dated December 27, 2007	0.41	\$8,200.00	7-26-2018	Louisville

**Exhibit 4a iii-A**  
**October 2, 2018**

During this period 7 deeds were finalized and recorded in the County Clerk's office. To date, 535 of the 599 acres have been conveyed, comprising approximately 490 of the 520 parcels originally included in this program. The remaining parcels in this program have been offered to the respective municipalities. The Town of Louisville indicated interest in the acquisition of Map No. 1132C, Parcel 8583. There was no consideration for this transaction.