MINUTES OF THE JOINT SPECIAL MEETING
OF THE FINANCE and RISK COMMITTEE
October 6, 2021

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Minutes of the special joint meeting of the New York Power Authority and Canal Corporation’s Finance and Risk Committee held via videoconference at approximately 8:00 a.m.

**Members of the Finance Committee present were:**

Tracy B. McKibben - Chair  
John R. Koelmel  
Eugene Nicandri  
Anthony Picente, Jr.  
Michael Balboni  
Dennis Trainor  
Bethaida González

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Also in attendance were:

Gil Quiniones (President and Chief Executive Officer)  
Justin Driscoll (Executive Vice President and General Counsel)  
Adam Barsky (Executive Vice President and Chief Financial Officer)  
Joseph Kessler (Executive Vice President and Chief Operating Officer)  
Kristine Pizzo (Executive Vice President and Chief Human Resources & Administrative Officer)  
Sarah Salati (Executive Vice President and Chief Commercial Officer)  
Phil Toia (President – NYPA Development)  
Daniella Piper (Regional Manager and CTO)  
Saul Rojas (Regional Manager – Site Administration - SENY)  
Lee Garza (Senior Vice President – Financial Operations)  
Yves Noel (Senior Vice President and Chief Strategy Officer)  
Robert Plascik (Senior Vice President and Chief Information & Technology Officer)  
Scott Tetenman (Senior Vice President – Finance)  
Karen Delince (Vice President and Corporate Secretary)  
Adrienne Lotto Walker (Vice President and Chief Risk & Resilience Officer)  
Girish Behal (Vice President – Project & Business Development)  
John Canale (Vice President – Strategic Supply Management)  
Anne Reasoner (Vice President – Budgets and Business Controls)  
Javier Bucobo (Assistant General Counsel – Power Transmission & Regulatory)  
Peter Casper (Principal Attorney I – Commercial Operation & Legal Affairs)  
Glenn Haake (Special Counsel I – Power Transmission & Regulatory)  
Susan Craig (Director – Media Relations)  
Michael Midden (Director – Corporate Finance)  
Carley Hume (Deputy Chief of Staff)  
Christopher Vitale (Finance Performance & Reporting Manager)  
Lorna Johnson (Senior Associate Corporate Secretary)  
Sheila Quatrocci (Associate Corporate Secretary)  
Andrea Kelli Higgs (Associate Corporate Secretary)  
Michele Stockwell (Project Coordinator – Executive Office)

Chairperson Tracy McKibben presided over the meeting. Corporate Secretary Delince kept the Minutes.
Introduction

Chairperson Tracy McKibben welcomed committee members and the Authority’s senior staff to the meeting. She said that 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 Finance Committee Charter.
1. **Adoption of the October 6, 2021 Proposed Special Meeting Agenda**

   On motion made by member Dennis Trainor and seconded by member Eugene Nicandri, the agenda for the meeting was unanimously adopted.

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**Conflicts of Interest**

Chairperson McKibben and members Koelmel, Nicandri, Picente, Balboni, Trainor and Gonzalez declared no conflicts of interest based on the list of entities previously provided for their review.
2. **Motion to Conduct and Executive Session**

“Mr. Chairman, I move that the Committee conduct an executive session to discuss the financial and credit history of a particular corporation pursuant to Section 105 of the Public Officers Law.” On motion made by member Dennis Trainor and seconded by member Eugene Nicandri, the members conducted an executive session.
3. **Motion to Resume Motion in Open Session**

“I move that the meeting resume in open session.” On motion made by member Eugene Nicandri, seconded by member Bethaida González, the meeting resumed in open session.

Chairperson McKibben said no votes were taken during the executive session.
4. **DISCUSSION AGENDA:**

   a. **New York State Energy Research and Development Authority**  
      **Tier 4 Request for Proposals – Clean Path New York Update**

   Mr. Philip Toia, President of NYPA Development, provided an update on New York State Energy Research and Development Authority’s (“NYSERDA”) Tier 4 Request for Proposals - Clean Path New York (Exhibit “4a-A”).

   **Clean Path NY: Project Overview**  
   The Clean Path New York Project is in response to the NYSERDA Tier 4 solicitation for Request for Proposals. On May 12, 2021, NYPA submitted bids jointly with project participants Forward Power, which is a joint venture between EnergyRe and Invenergy. On September 20th, the start of Climate Week in New York, the Governor announced that the project would move forward. To that end, NYPA is working with Forward Power and discussions are continuing with NYSERDA toward the next step, approval by the New York State Public Service Commission to move the project forward.

   The project will be a 175-mile, 1300 MW high-voltage DC transmission line, 105 miles of which will be on NYPA’s existing right-of-way along the Marcy South corridor from Fraser Substation in the Catskills region to the Rock Tavern substation. From Rock Tavern the line will travel along state routes, public rights-of-way and some submarine cables along the Hudson and Harlem rivers, to Rainey Substation in New York City.

   The purpose of the solicitation is to get renewables into the New York City area. The bulk of the generation Upstate New York (“Upstate”) is renewables and the bulk of the load in New York State is in New York City therefore, the project will offset fossil generation in New York City.

   Forward Power is also looking at interconnecting approximately 3800 megawatts of new, wind and solar capacity Upstate which will be transmitted over this proposed line into the New York City region. An additional part of the project is wind and solar which are intermittent; therefore, a portion of the Blenheim-Gilboa Pumped Storage Plant (“B-G”) will be utilized to provide storage. The project will provide energy storage capability to optimize the use of solar and wind when there is excess generation that is not able to flow over the line, and use that energy stored at B-G at times when the wind and solar do not fill the lines. Therefore, there are additional benefits for NYPA and the project using its B-G Plant.

   **Project Benefits**  
   Based on data from the Clean Path New York modeling:

   - The estimates are that the project will be an $11 billion investment in New York State of which approximately $3.5 billion will be in the Transmission line investment; and approximately $7.5 billion dollars in new, clean energy investment.

   - The addition of the wind and solar farms, as well as the transmission line, will displace and reduce fossil fuel generation across the state, benefitting all of the people of New York State.

   - Over the 25-year period of the NYSERDA contract, the estimates are that it will reduce carbon emissions by 39 million tons. It will also reduce criteria pollutants (NOx, SOx and Particulate Matter (PM2.5)).

   - It is estimated that the project will create 8,300 jobs in New York State.

   - Additional benefits of the project include billions of dollars in avoided social and public health costs due to the emissions reductions over 25 years.
NYPA and the Forward Power team are in discussions with NYSERDA; additional preliminary engineering work is ongoing to advance this project with anticipation of approval by the New York Public Service Commission to start the more detailed project work and execution with Forward Power.

President Quiniones added that one of the unique attributes of the line is that the location of the transmission line will finally resolve the congestion that occurs in the Albany-Utica area because, from the central part of the State going to the east, there has always been congestion in terms of moving power from Upstate to Downstate New York. There has been decades-long congestion along that corridor which has not been resolved. This line, when built, will significantly resolve the congestion in that area, and will enable cleaner, carbon-free power from Upstate down to New York City, a significant change in the way power flow will now be enabled from Upstate to Downstate New York.
5. **CONSENT AGENDA:***

On motion made by member Michael Balboni, seconded by member Eugene Nicandri, and by unanimous vote, the motion was unanimously adopted.
i. Approval of Budget Report for Submission Pursuant to Section 2801 of the Public Authorities Law and Agency Procedures

The President and Chief Executive Officer submitted the following report:

“SUMMARY

The Finance and Risk Committee is requested to recommend to the Trustees (a) the approval of the budget report attached as Exhibit ‘5a i-A’ (the ‘Budget Report’), and (b) the authorization and ratification of the Authority staff’s submittal of the Budget Report to the State officials identified in Public Authorities Law (‘PAL’) §2801, and the filing of the Budget Report electronically with the State in accordance with New York State Authorities Budget Office (‘ABO’) and State Comptroller requirements.

BACKGROUND

PAL §2801 requires each state public authority to submit a budget report annually, not less than 90 days before the commencement of its fiscal year, in the form submitted to its members or trustees, with budget information on operations and capital construction setting forth the estimated receipts and expenditures for the next fiscal year and the current fiscal year, and the actual receipts and expenditures for the last completed fiscal year, to the Governor, the Chair and Ranking Minority Member of the Senate Finance Committee, the Chair and Ranking Minority Member of the Assembly Ways and Means Committee and the ABO (collectively, ‘State Officials’).

The ABO and State Comptroller also require state public authorities to file budget reports electronically with the State through the Public Authorities Reporting Information System (‘PARIS’) online reporting system. PARIS requires three additional years of forward-looking budget information for a total of six years of budget information.

DISCUSSION

The Finance and Risk Committee is requested to recommend to the Trustees the approval of the Budget Report prepared by staff. The Budget Report reflects information required by PAL §2801 and additional information required by the PARIS system. The Budget Report is inclusive of budget information relating to the Canal Corporation. The Finance and Risk Committee is further requested to recommend that the Trustees authorize and ratify the staff’s submittal of the Budget Report to the State Officials identified in PAL §2801, and to file the Budget Report with the State electronically through PARIS.

The Budget Report is prepared solely for the purpose of meeting the requirements of PAL §2801 and Comptroller and ABO requirements. The Budget Report relies on data and projections that were developed during the months of July through September 2021. These data and projections include inputs such as forecasts of electric prices, fuel expenses, customer power and energy use, generation levels and revenues from Authority power projects, operations & maintenance, and capital expense. The Authority is not required to update the Budget Report at any point during the remainder of 2021 or in 2022 prior to submittal of the Budget Report for fiscal year 2022 for the normal annual process outlined in PAL §2801, however it is providing quarterly updates to the State based on a separate request for current year only figures.

Staff is in the process of preparing the Authority’s annual budget as well as the Four-Year Budget and Financial Plan. The annual budget and the Four-Year Budget and Financial Plan will be presented to the Trustees for approval at a subsequent meeting. The Four-Year Budget and Financial Plan may include assumptions and figures that are different from those in the Budget Report.
FISCAL INFORMATION

The Budget Report’s estimates for each of the years 2021-2022 are indicative forecasts. The Finance and Risk Committee is not being asked to approve any revenue or expenditure amounts for those years at this time.

RECOMMENDATION

The Chief Financial Officer recommends that the Finance and Risk Committee recommend to the Trustees: (1) the approval of the Budget Report; and (2) authorize and ratify staff’s submittal of the Budget Report to State Officials, and the filing of the Budget Report with the State electronically through the Public Authorities Reporting Information System (‘PARIS’), as discussed herein.

For the reasons stated, I recommend the approval of the above-requested action by adoption of the resolution below.

The following resolution, as submitted by the President and Chief Executive Officer, was unanimously adopted.

RESOLVED, That the Finance and Risk Committee recommends that the Trustees, pursuant to Public Authorities Law §2801, approve the Budget Report attached as Exhibit ‘5a i-A’ for the purposes stated in the foregoing report of the President and Chief Executive Officer; and be it further

RESOLVED, That the Finance and Risk Committee recommends to the Trustees that the Authority staff’s submittal of the Budget Report to the State officials identified in Public Authorities Law §2801, and the filing of the Budget Report with the State electronically in accordance with New York State Authorities Budget Office and State Comptroller requirements be authorized and ratified; and be it further

RESOLVED, That the Finance and Risk Committee recommends that the Chairman, the Vice Chairman, the President and Chief Executive Officer, the Chief Operating Officer and all other officers of the Authority be authorized by the Trustees 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 Executive Vice President and General Counsel.
6. **Next Meeting**

Chairperson Tracy McKibben said that the next regular meeting of the Finance and Risk Committee is scheduled for November 16, 2021 at a time to be determined.

*Chairperson McKibben said that the members will conduct an executive session and adourn the meeting at the end of the executive session.*
7. **Motion to Conduct an Executive Session**

“I move that the Committee conduct an executive session, pursuant to Public Officers Law Section 105(f), to discuss the financial and employment history of a particular person and corporation.** On motion made by member Michael Balboni and seconded by member Anthony Picente, the members conducted an executive session.

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Karen Delince  
Karen Delince  
Corporate Secretary
EXHIBITS

For

October 6, 2021

Special Meeting Minutes
NYSERDA Tier 4 RFP – Clean Path NY Update

Philip Toia
President, NYPA Development
Clean Path NY: Project Overview

- Joint bid submitted on May 12th, 2021 in response to NYSERDA Tier 4 solicitation

- Project participants include NYPA and Forward Power (energyRe and Invenergy)

- 175-mile 1300 MW bi-directional HVDC transmission link connecting Fraser Substation in Central NY with Rainey Substation in NYC
  - 105 miles of line to be built in existing NYPA Right-Of-Way along Marcy South corridor

- 3,800 MW of new wind and solar capacity in Upstate New York

- Use of Blenheim-Gilboa for energy storage
Clean Path NY: Project Overview

- Clean Path NY Investment of $11 billion in New York State:
  - $3.5 billion in Transmission investment
  - $7.5 billion in new clean energy investment

- Reduced fossil fuel generation statewide

- Reduced carbon emissions by 39 million tons over 25 years

- Reduced criteria pollutants (NOx, SOx and Particulate Matter [PM2.5])

- Creation of 8,300 jobs

- Billions of dollars in avoided social and public health costs due to emissions reductions over 25 years

Note 1: Data/Statistics are based on Clean Path NY modeling
## POWER AUTHORITY OF THE STATE OF NEW YORK
### ESTIMATED RECEIPTS AND EXPENDITURES
#### 2021 TO 2025
##### ACTUAL RECEIPTS AND EXPENDITURES 2020

### Exhibit - 5a i-A

#### 2801 Report

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<th></th>
<th>Last Year</th>
<th>Current Year</th>
<th>Proposed 2022</th>
<th>Proposed 2023</th>
<th>Proposed 2024</th>
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<td><strong>Non-Operating Revenues</strong></td>
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<td>Investment Earnings</td>
<td>29,994,342</td>
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<td>15,041,216</td>
<td>18,831,132</td>
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<td>Federal Subsidies / Grants</td>
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<td>Public Authority Subsidies</td>
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<td>56,986,599</td>
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<td><strong>Total Revenues &amp; Financing Sources</strong></td>
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<td>2,851,217,696</td>
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<td><strong>Operating Expenditures</strong></td>
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<td>Salaries and Wages</td>
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<td>Interest and other Financing Charges</td>
<td>60,229,253</td>
<td>(1,674,575)</td>
<td>30,428,183</td>
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<tr>
<td><strong>Capital Contributions</strong></td>
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