

***MINUTES OF THE REGULAR
MEETING OF
THE ECONOMIC DEVELOPMENT POWER
ALLOCATION BOARD***

January 19, 2000– 11:00 A.M. - NYO

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January 19, 2000

A regular meeting of the Economic Development Power Allocation Board was held at the New York Office of the Power Authority of the State of New York at 1633 Broadway, Chairman's Conference Room at 11:00 a.m.

The following Members of the Board were present:

Clarence D. Rappleyea – Chairman
H. Douglas Barclay
Joseph M. DelSindaco
James A. Duncan

Also in attendance were:

David E. Blabey	Executive Vice President, Secretary and General Counsel, NYPA
James H. Yates	Director – Business Marketing and Economic Development, NYPA
James Pasquale	Manager – Business Power Allocation and Compliance, NYPA
Gary Paslow	Executive Director – Policy Development, NYPA
Anne Wagner-Findeisen	Deputy Secretary, NYPA
Vernadine E. Quan-Soon	Senior Assistant Secretary, NYPA
Angela Graves	Assistant Secretary, NYPA
Teri Hicks-Moye	Marketing Representative, NYPA
Ira C. Fine	Senior Information Specialist – Public Affairs, NYPA

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Chairman Rappleyea presided at the meeting and Mr. Blabey kept the minutes.

January 19, 2000

1. Adoption of Minutes

The minutes of the meeting of December 9, 1999 were unanimously adopted by the Members of the Board.

January 19, 2000

2. **Opening Remarks of Chairman Clarence D. Rappleyea**

Chairman Rappleyea welcomed the Board to the first meeting of Year Three of the Power for Jobs program. The Chairman recapitulated that in the first two years, the Board acted on recommendations to allocate 400 MW to some 600 employers for commitments of more than a quarter million jobs. Chairman Rappleyea noted that under the Power for Jobs statute, there are 50 MW available for allocation in Year Three. Having made full allocation of the 100 MW set-aside for small businesses and not-for-profit institutions in the prior years, the 50 MW available this year may only be allocated to businesses with loads in excess of 400 kW.

Chairman Rappleyea also noted that the review process for the recommendations includes input from the Empire State Development Corporation and the Public Service Commission's Office of Business Advocate. Each application was reviewed to assess the jobs created, jobs retained, energy savings, investment, payroll, and community impact.

Chairman Rappleyea further noted that the Board is authorized by the "Power for Jobs" statute to consider recommendations for allocations that exceed the territorial distribution of the program's megawatts. Specifically, the law states:

[T]he board may recommend an allocation which exceeds any proportional distribution if it determines that such an allocation would advance the public policy set forth in this section to provide effective incentives to promote economic development, maintain and develop jobs, and encourage new capital investment throughout New York State.

The Chairman stated that the Year Three allocation of Power for Jobs totals 50 MW; however, the Board also has an additional 8.8 MW available from previous years' recommended allocations. These are allocations that were returned and unused by the applicants.

Mr. Yates then presented the applications as set forth below.

January 19, 2000

3. **Consolidated Edison Service Territory**

The members of the Board considered the four applications listed below for Power for Jobs.

The following resolution was unanimously adopted by the Members of the Board.

WHEREAS, the following entities in Consolidated Edison's service territory have applied for allocations of Power for Jobs service:

**Belmont Metals, Inc.
Brooklyn - Kings County**

**Comco Plastics, Inc.
Richmond Hill - Queens County**

**National Reprographics, Inc.
New York City – New York County**

**Tanagraphics, Inc.
New York City – New York County;**

NOW THEREFORE BE IT RESOLVED, That the Board hereby finds and determines that such applications meet the requirements of the Power for Jobs legislation contained in Chapter 316 of the Laws of 1997 and Chapter 386 of the Laws of 1998; and be it further

RESOLVED, That the Board hereby recommends to the Power Authority of the State of New York the four allocations discussed herein totaling 2,050 kW for Consolidated Edison's service territory for three years, and that the following terms be incorporated into the Power Authority's contracts for Power for Jobs Service:

- **applicants to maintain a total of 744 jobs;**
- **such allocations shall be subject to the reduction of power and affirmative action provisions set forth in the Power Authority's standard form of contract for Power for Jobs Service.**

January 19, 2000

4. **Long Island Power Authority Service Territory**

The members of the Board considered the two applications listed below for Power for Jobs.

The following resolution was unanimously adopted by the Members of the Board.

WHEREAS, the following entities in Long Island Power Authority's service territory have applied for allocations of Power for Jobs service:

**Dyna-Empire, Inc.
Garden City – Nassau County**

**Madelaine Chocolate Novelties
Rockaway – Queens County**

NOW THEREFORE BE IT RESOLVED, That the Board hereby finds and determines that such applications meet the requirements of the Power for Jobs legislation contained in Chapter 316 of the Laws of 1997 and Chapter 386 of the Laws of 1998; and be it further

RESOLVED, That the Board hereby recommends to the Power Authority of the State of New York the two allocations discussed herein totaling 1,100 kW for Long Island Power Authority's service territory for three years, and that the following terms be incorporated into the Power Authority's contracts for Power for Jobs Service:

- **applicants to maintain a total of 809 jobs;**
- **such allocations shall be subject to the reduction of power and affirmative action provisions set forth in the Power Authority's standard form of contract for Power for Jobs Service.**

January 19, 2000

5. **Niagara Mohawk's Service Territory**

The members of the Board considered the sixteen applications listed below for Power for Jobs.

The following resolution was unanimously adopted by the Members of the Board.

WHEREAS, the following entities in Niagara Mohawk's service territory have applied for allocations of Power for Jobs service:

**3M Abrasive Systems Divisions
Tonawanda - Erie County**

**Albany International Corp.
Rensselaer - Rensselaer County**

**Bison Foods Company
Buffalo – Erie County**

**Blasch Precision Ceramics
Albany - Albany County**

**Canterbury Printing Company of Rome, Inc.
Rome - Oneida County**

**Corning Inc.
Canton - St. Lawrence County**

**EMED Company, Inc.
Williamsville - Erie County**

**G. C. Hanford Mfg. Co.
Syracuse - Onondaga County**

**Gibraltar Metals
Kenmore - Erie County**

**Graphic Controls Division of Ludlow Co. L.P.
Buffalo - Erie County**

**Hamilton Printing Company
Castleton - Rensselaer County**

**McLane Eastern, Inc.
Baldwinsville - Onondaga County**

**Portola Packaging, Inc.
Clifton Park - Saratoga County**

**Rhodia, Inc.
Troy - Rensselaer County**

**School House Warehousing, Inc.
Gloversville - Fulton County**

**The Bank of New York
Oriskany - Oneida County**

NOW THEREFORE BE IT RESOLVED, That the Board hereby finds and determines that such applications meet the requirements of the Power for Jobs legislation contained in Chapter 316 of the Laws of 1997 and Chapter 386 of the Laws of 1998; and would advance the public policy set forth in Section 189(i) of the Economic Development Law to provide effective incentives to promote economic development, maintain and develop jobs, and encourage new capital investment throughout New York State; and be it further

RESOLVED, That the Board hereby recommends to the Power Authority of the State of New York the sixteen allocations discussed herein totaling 10,950 kW for Consolidated Edison's service territory for three years, and that the following terms be incorporated into the Power Authority's contracts for Power for Jobs Service:

- applicants to maintain a total of 4,094 jobs;**
- such allocations shall be subject to the reduction of power and affirmative action provisions set forth in the Power Authority's standard form of contract for Power for Jobs Service.**

January 19, 2000

6. **New York State Electric & Gas Service Territory**

The members of the Board considered the seven applications listed below for Power for Jobs.

The following resolution was unanimously adopted by the Members of the Board.

WHEREAS, the following entities in New York State Electric & Gas' service territory have applied for allocations of Power for Jobs service:

**Aim Corrugated Container Corp.
Lancaster - Erie County**

**Burt Rigid Box, Inc.
Oneonta - Otsego County**

**Catskill Craftsmen, Inc.
Stamford - Delaware County**

**Refraction Technologies Corp.
Newark - Wayne County**

**Shur-Line, Inc.
Lancaster - Erie County**

**Wilson Greatbatch LTD
Clarence - Erie County**

**Upstate Farms Cooperative
Cheektowaga - Erie County**

NOW THEREFORE BE IT RESOLVED, That the Board hereby finds and determines that such applications meet the requirements of the Power for Jobs legislation contained in Chapter 316 of the Laws of 1997 and Chapter 386 of the Laws of 1998; and be it further

RESOLVED, That the Board hereby recommends to the Power Authority of the State of New York the seven allocations discussed herein totaling 3,150 kW for New York State Electric & Gas' service territory for three years, and that the following terms be incorporated into the Power Authority's contracts for Power for Jobs Service:

- **applicants to maintain a total of 1,145 jobs;**
- **such allocations shall be subject to the reduction of power and affirmative action provisions set forth in the Power Authority's standard form of contract for Power for Jobs Service.**

January 19, 2000

7. **Rochester Gas & Electric Service Territory**

The members of the Board considered the one application listed below for Power for Jobs.

The following resolution was unanimously adopted by the Members of the Board.

WHEREAS, the following entity in Rochester Gas & Electric's service territory has applied for an allocations of Power for Jobs service:

**Genesee Brewing Company, Inc.
Rochester – Monroe County**

NOW THEREFORE BE IT RESOLVED, That the Board hereby finds and determines that such applications meet the requirements of the Power for Jobs legislation contained in Chapter 316 of the Laws of 1997 and Chapter 386 of the Laws of 1998; and would advance the public policy set forth in Section 189(i) of the Economic Development Law to provide effective incentives to promote economic development, maintain and develop jobs, and encourage new capital investment throughout New York State; and be it further

RESOLVED, That the Board hereby recommends to the Power Authority of the State of New York an allocations discussed herein totaling 2,800 kW for Rochester Gas & Electric's service territory for three years, and that the following terms be incorporated into the Power Authority's contracts for Power for Jobs Service:

- **applicants to maintain a total of 375 jobs;**
- **such allocations shall be subject to the reduction of power and affirmative action provisions set forth in the Power Authority's standard form of contract for Power for Jobs Service.**

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8. **Informational Item - Power for Jobs - Status of Approved Applications and Summary of Action on Applications**

January 19, 2000

9. **Briefing on Power for Jobs - Governor's Proposed Legislative**

At the Chairman's request, Mr. Paslow briefed the members of the Board on the status of proposed legislation..

Governor Pataki, as part of his Executive Budget for state fiscal year 2000-2001, has proposed expansion of the Power for Jobs program with the establishment of an Upstate Economic Revitalization Power Program for the purpose of job retention and/or job creation. It would make available 200 MW of low cost power to businesses located in upstate New York (excludes the counties of New York, Bronx, Kings, Queens, Richmond, Dutchess, Nassau, Orange, Putnam, Rockland, Suffolk, and Westchester). Up to 50 MW would be set aside for allocations to small businesses. Contracts awarded under the program would be for a two-year term. A tax credit would be made available to local electric distribution companies purchasing and delivering power under this new program equivalent to 50 percent of net lost revenues.

In response to questions from the members of the Board, Mr. Paslow explained the potential impact of the proposed bill on the Gross Receipts Tax Credit currently enjoyed by the IOU's. Mr. Paslow also noted that it would be difficult for the EDPAB to act on the full 200 MW between anticipated passage of the bill in April 2000 and the end of the calendar year 2000.

10. **Closing Remarks of Chairman Clarence D. Rappleyea**

Chairman Rappleyea noted that this month's action adds 30 more employers to the list of Power for Jobs customers.

Chairman explained that the allocations have an excellent job impact, more than 7,000 jobs for 20 MW, 357 jobs / MW ratio, including: 585 new jobs and stated that the Board was pleased to note that Power for Jobs is high on the Governor's lists of priorities for this legislative session. Chairman Rappleyea further stated that the Power for Jobs program was a prominent part of the Governor's State of the State message and it is an important element in his agenda for Upstate economic revitalization.

11. **Next Meeting**

The next meeting of the Board is scheduled to be held on Wednesday, February 16, 2000, at 11:00 a.m. at the Authority New York City Office at 1633 Broadway, Board Room on the 22nd Floor.

Closing

Upon motion duly made and seconded, the meeting was adjourned at 11:20 a.m.