

**ECONOMIC DEVELOPMENT POWER
ALLOCATION BOARD**

MINUTES

May 23, 2006

Video Conference – 9:00 a.m.

New York Power Authority Offices:

123 Main Street, 16th Floor, White Plains, NY

30 South Pearl Street, 10th Floor, Albany, NY

Niagara Power Project, 5777 Lewiston Road, Lewiston, NY

1. Approval of the Minutes of the Meeting of April 28, 2006

**2. Power for Jobs Extended Benefits Recommendations
for Electricity Savings Reimbursements**

A. Companies in Job Compliance

<u>Con Edison – Service Territory</u>	
Charmer Industries Astoria – Queens County	The Museum of Modern Art New York – New York County
Jacmel Jewelry, Inc. Long Island City – Queens County	
<u>Long Island Power Authority – Service Territory</u>	
Good Samaritan Hospital West Islip – Suffolk County	John T. Mather Memorial Hospital Port Jefferson – Suffolk County
<u>National Grid – Service Territory</u>	
Bank of New York Oriskany – Oneida County	Interface Solutions Fulton – Oswego County
Cascades Tissue Group Waterford – Saratoga County	Intertek Testing Services Cortland – Cortland County
Clarkson University Potsdam – St. Lawrence County	Lewis County General Hospital Lowville – Lewis County
Corning, Inc. (Canton) Canton – St. Lawrence County	Mohawk Paper Mills Cohoes – Albany County
Diemolding Corporation Canastota – Madison County	Nathan Littauer Hospital & Nursing Home Gloversville – Fulton County
Edward John Noble Hospital Gouverneur – St. Lawrence County	Queensboro Farm Products, Inc. – Canastota Canastota – Madison County
Fiber Glass Industries Inc. Amsterdam – Herkimer County	Robison & Smith, Inc. Gloversville – Fulton County

General Electric Plastics Selkirk – Albany County	Sorrento Lactalis, Inc. Buffalo – Erie County
<u>New York State Electric and Gas – Service Territory</u>	
Agri-Mark, Inc. Chateaugay – Franklin County	Merritt Plywood Machinery, Inc. Lockport – Niagara County

B. Companies Not in Job Compliance

<u>Con Edison – Service Territory</u>	
American Indian Community House New York – New York County	International Business Machines – White Plains White Plains – Westchester County
<u>National Grid – Service Territory</u>	
Cooper Hand Tools Cortland – Cortland County	Specialized Packaging Radisson, Inc. Baldwinsville – Onondaga County
CWM Chemical Services, LLC Model City – Niagara County	Standard Manufacturing Co., Inc. Troy – Rensselaer County
Dielectric Laboratories Cazenovia – Madison County	Syroco, Inc. – A Subsidiary of Vassallo Industries Baldwinsville – Onondaga County
Fitzpatrick & Weller, Inc. Ellicottville – Cattaraugus County	Turbine Components Technologies Whitesboro – Oneida County
Kilian Manufacturing Corporation Syracuse – Onondaga County	Welch Allyn Data Collection Skaneateles Falls – Onondaga County
Quad Graphics, Inc. Saratoga Springs – Saratoga County	
<u>New York State Electric & Gas – Service Territory</u>	
A. T. Reynolds & Sons, Inc. Kiamesha Lake – Sullivan County	Vail Ballou Press, Inc. Binghamton – Broome County
<u>Rochester Gas & Electric – Service Territory</u>	
International Business Machines – Rochester Rochester – Monroe County	

3. **Power for Jobs Extended Benefits Reconsideration**

Contract Extension

Applied Energy Solutions (CEN Electric) Caledonia	
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4. **Next Meeting**

A regular meeting of the Economic Development Power Allocation Board was held via video conference at the following participating locations:

- 1) New York Power Authority, 30 South Pearl Street, Albany NY
- 2) New York Power Authority, 123 Main Street, White Plains, NY
- 3) Niagara Power Project, 5777 Lewiston Road, Lewiston, NY

The following Members of the Board were present at the following locations:

Frank S. McCullough, Jr., Chairman (White Plains, NY)
Bernard P. McGarry, Member (Albany, NY)
James A. Duncan, Member, (Lewiston, NY)

Kevin S. Corbett, Member (Excused)

Also in attendance were:

Timothy S. Carey	President and Chief Executive Officer, NYPA
Thomas J. Kelly	Executive Vice President and General Counsel, NYPA
Joseph M. Del Sindaco	Executive Vice President – Chief Financial Officer, NYPA
Louise M. Morman	Senior Vice President – Marketing, Economic Development and Supply Planning, NYPA
Anne B. Cahill	Corporate Secretary, NYPA
Angela D. Graves	Deputy Corporate Secretary, NYPA
John B. Hamor	Executive Director – State Governmental Relations, NYPA
James F. Pasquale	Director – Business Power Allocations, Regulation and Billing, NYPA
Anthony C. Savino	Manager – Business Power Allocations and Compliance, NYPA
Niko Ladopoulos	Legislative Liaison – Public and Governmental Affairs, NYPA
Mary Jean Frank	Associate Corporate Secretary, NYPA
Lorna M. Johnson	Assistant Corporate Secretary, NYPA
Jeffrey Carey	Special Assistant to the President and Chief Executive Officer, NYPA

1. **Adoption of Minutes**

The minutes of the meeting of April 28, 2006, were unanimously adopted.

2. Power for Jobs Extended Benefits Recommendations for Electricity Savings Reimbursements

The members of the Board reconsidered the 39 applications for extended benefits recommendations for electricity savings reimbursements listed below for Power for Jobs. Mr. Pasquale explained that some 20,947 jobs would be impacted. See Exhibits “2-A” and “2-B.”

The following resolution was unanimously adopted by members of the Board present.

WHEREAS, the following entities have applied for extended benefits recommendations for electricity savings reimbursements under the Power for Jobs program:

COMPANIES IN JOB COMPLIANCE

Con Edison – Service Territory

Charmer Industries
Astoria – Queens County

The Museum of Modern Art
New York – New York County

Jacmel Jewelry, Inc.
Long Island City – Queens County

Long Island Power Authority – Service Territory

Good Samaritan Hospital
West Islip – Suffolk County

John T. Mather Memorial Hospital
Port Jefferson – Suffolk County

National Grid – Service Territory

Bank of New York
Oriskany – Oneida County

Interface Solutions
Fulton – Oswego County

Cascades Tissue Group
Waterford – Saratoga County

Intertek Testing Services
Cortland – Cortland County

Clarkson University
Potsdam – St. Lawrence County

Lewis County General Hospital
Lowville – Lewis County

Corning, Inc. (Canton)
Canton – St. Lawrence County

Mohawk Paper Mills
Cohoes – Albany County

Diemolding Corporation
Canastota – Madison County

Nathan Littauer Hospital & Nursing Home
Gloversville – Fulton County

Edward John Noble Hospital
Gouverneur – St. Lawrence County

Queensboro Farm Products, Inc. – Canastota
Canastota – Madison County

Fiber Glass Industries Inc.
Amsterdam – Herkimer County

Robison & Smith, Inc.
Gloversville – Fulton County

General Electric Plastics
Selkirk – Albany County

Sorrento Lactalis, Inc.
Buffalo – Erie County

New York State Electric and Gas – Service Territory

Agri-Mark, Inc.
Chateaugay – Franklin County

Merritt Plywood Machinery, Inc.
Lockport – Niagara County

COMPANIES NOT IN JOB COMPLIANCE

Con Edison – Service Territory

American Indian Community House
New York – New York County

International Business Machines – White Plains
White Plains – Westchester County

National Grid – Service Territory

Cooper Hand Tools
Cortland – Cortland County

Specialized Packaging Radisson, Inc.
Baldwinsville – Onondaga County

CWM Chemical Services, LLC
Model City – Niagara County

Standard Manufacturing Co., Inc.
Troy – Rensselaer County

Dielectric Laboratories
Cazenovia – Madison County

Syroco, Inc. – A Subsidiary of Vassallo Industries
Baldwinsville – Onondaga County

Fitzpatrick & Weller, Inc.
Ellicottville – Cattaraugus County

Turbine Components Technologies
Whitesboro – Oneida County

Kilian Manufacturing Corporation
Syracuse – Onondaga County

Welch Allyn Data Collection
Skaneateles Falls – Onondaga County

Quad Graphics, Inc.
Saratoga Springs – Saratoga County

New York State Electric & Gas – Service Territory

A. T. Reynolds & Sons, Inc.
Kiamesha Lake – Sullivan County

Vail Ballou Press, Inc.
Binghamton – Broome County

Rochester Gas & Electric – Service Territory

International Business Machines – Rochester
Rochester – Monroe County

NOW THEREFORE BE IT RESOLVED, That the Board hereby finds and determines that such applications meet the requirements of the extended benefits provisions of the Power for Jobs legislation contained in Article 6 of the Economic Development Law as amended by Chapter 313 of the Laws of 2005; and be it further

RESOLVED, That the Board recommends to the Power Authority of the State of New York the 39 applications for extended benefits recommendations for electricity savings reimbursements discussed herein totaling 38,134 kW until December 31, 2006.

**Economic Development Power Allocation Board
Power for Jobs Extended Benefits
Recommendation for Electricity Savings Reimbursements
Companies In Job Compliance**

Line	Company	City	County	IOU	KW	Jobs Committed	Jobs in Application 2005	Over/ (Under)	%Over/ (Under)	Compliance	Recommended KW	Jobs/MW	Type	Service
1	Chamer Industries, Inc.	Astoria	Queens	Con Ed	750	732	810	78	11%	Yes	750	1,080	Large	Distributors of wines and spirits
2	Jacmel Jewelry, Inc.	Long Island City	Queens	Con Ed	170	227	267	40	18%	Yes	170	1,571	Small	Makes fine Jewelry
3	The Museum of Modern Art	New York	New York	Con Ed	1,000	614	741	127	21%	Yes	1,000	741	NFP	Museum
	Con Ed		Subtotal		3	1,920	1,573				1,920	947		
4	Good Samaritan Hospital	West Islip	Suffolk	LIPA	800	2,651	2,914	263	10%	Yes	800	3,642	NFP	Healthcare Center
5	John T. Mather Memorial Hospital	Port Jefferson	Suffolk	LIPA	400	1,069	1,360	291	27%	Yes	400	3,400	NFP	Community Hospital
	LIPA		Subtotal		2	1,200	3,720				1,200	3,562		
6	Bank of New York	Oriskany	Oneida	Nat Grid	500	651	748	97	15%	Yes	500	1,496	Large	Banking Services
7	Cascades Tissue Group	Waterford	Saratoga	Nat Grid	600	110	159	49	45%	Yes	600	265	Large	Large Industrial towel manufacturer
8	Clarkson University	Potsdam	St. Lawrence	Nat Grid	1,500	621	652	31	5%	Yes	1,500	435	NFP	Higher education
9	Corning, Inc. (Canton)	Canton	St. Lawrence	Nat Grid	1,500	272	260	-12	-4%	Yes	1,500	173	Large	Optical fiber, glass and ceramic products
10	Diemolding Corporation	Canastota	Madison	Nat Grid	200	305	300	-5	-2%	Yes	200	1,500	Small	Thermoset plastic forming
11	Edward John Noble Hospital	Gouverneur	St. Lawrence	Nat Grid	100	252	258	6	2%	Yes	100	2,580	NFP	Healthcare center
12	Fiber Glass Industries Inc.	Amsterdam	Herkimer	Nat Grid	700	130	142	12	9%	Yes	700	203	Large	Produces high strength woven fabrics
13	General Electric Plastics	Selkirk	Albany	Nat Grid	5,000	545	515	-30	-6%	Yes	5,000	103	Large	Plastic materials & resins
14	Interface Solutions, Inc.	Fulton	Oswego	Nat Grid	1,000	187	180	-7	-4%	Yes	1,000	180	Large	Makes backing for vinyl flooring and fiber gasket
15	Intertek Testing Services	Cortland	Cortland	Nat Grid	600	278	289	11	4%	Yes	600	482	Large	Independent test lab
16	Lewis County General Hospital	Lowville	Lewis	Nat Grid	200	382	389	7	2%	Yes	200	1,945	NFP	Medical Center
17	Mohawk Paper Mills	Cohoes	Albany	Nat Grid	2,250	389	426	37	10%	Yes	2,250	189	Large	Manufacturer of text and cover papers
18	Nathan Littauer Hospital & Nursing Home	Gloversville	Fulton	Nat Grid	400	662	677	15	2%	Yes	400	1,693	NFP	Hospital and Nursing Home
19	Queensboro Farm Products, Inc. - Canastota	Canastota	Madison	Nat Grid	500	79	81	2	3%	Yes	500	162	Large	Milk manufacturing and processing plant
20	Robison & Smith, Inc.	Gloversville	Fulton	Nat Grid	384	176	190	14	8%	Yes	384	495	Small	Linen & Laundry Supply
21	Sorrento Lactalis, Inc.	Buffalo	Erie	Nat Grid	1,500	358	464	106	30%	Yes	1,500	309	Large	Produces cheese as well as whey products
	National Grid		Subtotal		16	16,934	5,397				16,934	338		
22	Agri-Mark, Inc	Chateaugay	Franklin	NYSEG	500	106	116	10	9%	Yes	500	232	Large	Cheese Manufacturer
23	Merritt Plywood Machinery, Inc.	Lockport	Niagara	NYSEG	75	19	19	0	0%	Yes	75	253	Small	Machinery for hardwood, veneer and plywood
	NYSEG		Subtotal		2	575	135				575	235		

Total	23	20,629	10,815	11,957
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20,629	580
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**Economic Development Power Allocation Board
Power for Jobs Extended Benefits
Recommendation for Electricity Savings Reimbursements
Companies Not In Job Compliance**

**Exhibit "2-A1"
May 23, 2006**

Line	Company	City	County	IOU	KW	Jobs Committed	Jobs in			Compliance	Recommended		Type	Service
							Application 2005	Over/ (Under)	%Over/ (Under)		KW	Jobs/MW		
1	American Indian Community House	New York	New York	Con Ed	40	41	36	-5	-12%	No	35	1,029	NFP	Social support agency & cultural center
2	International Business Machines - White Plains	White Plains	Westchester	Con Ed	4,400	1,989	1,748	-241	-12%	No	3,870	452	Large	Computer Manufacturer
	Con Ed		Subtotal	2	4,440	2,030	1,784				3,905	457		
3	Cooper Hand Tools	Cortland	Cortland	Nat Grid	2,200	190	115	-75	-39%	No	1,330	86	Large	Metal machining and casting
4	CWM Chemical Services, LLC	Model City	Niagara	Nat Grid	400	100	83	-17	-17%	No	330	252	Small	Treatment, storage & disposal of Industrial Waste
5	Dielectric Laboratories, Inc.	Cazenovia	Madison	Nat Grid	400	248	174	-74	-30%	No	280	621	Small	Ceramic capacitors and ceramic packaging
6	Fitzpatrick & Weller, Inc.	Ellicottville	Cattaraugus	Nat Grid	1,000	230	107	-123	-53%	No	1,000	107	Large	Lumber & wood components
7	Kilian Manufacturing Corporation	Syracuse	Onondaga	Nat Grid	400	345	214	-131	-38%	No	400	535	Large	Mfr. ball bearings
8	Quad Graphics, Inc.	Saratoga Springs	Saratoga	Nat Grid	4,000	1,420	1,118	-302	-21%	No	4,000	280	Large	Printing services
9	Specialized Packaging Radisson, Inc	Baldwinsville	Onondaga	Nat Grid	200	190	148	-42	-22%	No	180	822	Small	Produces printed folding cartons
10	Standard Manufacturing Co., Inc.	Troy	Rensselaer	Nat Grid	160	152	30	-122	-80%	No	30	1,000	Small	Apparel
11	Syroco, Inc. - A Subsidiary of Vassallo Industries	Baldwinsville	Onondaga	Nat Grid	550	427	183	-244	-57%	No	550	333	Large	Plastic injection molding manufacturer
12	Turbine Components Technologies (Ulica Corp)	Whitesboro	Oneida	Nat Grid	1,200	395	225	-170	-43%	No	1,200	188	Large	Precision forging plant
13	Welch Allyn Data Collection Inc.	Skaneateles Falls	Onondaga	Nat Grid	2,000	2,294	1,257	-1,037	-45%	No	1,100	1,143	Large	Medical and dental diagnostic equipment
	National Grid		Subtotal	11	12,510	5,991	3,654				10,400	351		
14	A. T. Reynolds & Sons, Inc.	Klamesha Lake	Sullivan	NYSEG	500	116	59	-57	-49%	No	250	236	Small	Spring water and ice manufacturer
15	Vail Ballou Press, Inc.	Binghamton	Broome	NYSEG	1,800	500	426	-74	-15%	No	1,800	237	Large	Book printer and distributor
	NYSEG		Subtotal	2	2,300	616	485				2,050	237		
16	International Business Machines - Rochester	Rochester	Monroe	RGE	2,800	1,495	610	-885	-59%	No	1,150	530	Large	Computer Manufacturer
	RG&E		Subtotal	1	2,800	1,495	610				1,150	530		
Total				16	22,050	10,132	6,533				17,505	373		

Note: some of the companies listed above have had part or all of their allocation restored though the reconsideration process

3. Power for Jobs Extended Benefits Reconsideration

The members of the Board considered the application for full or partial reconsideration for contract extensions for benefits to remain at reduced amount listed below for Power for Jobs. Mr. Pasquale explained that some 64 jobs would be impacted. See Exhibit "3-A."

The following resolution was unanimously adopted by members of the Board present.

WHEREAS, the following entity has applied for reconsideration for full or partial reinstatement under the Power for Jobs program:

CONTRACT EXTENSION

Applied Energy Solutions (CEN Electric)
Caledonia

NOW THEREFORE BE IT RESOLVED, That the Board hereby finds and determines that such application meet the requirements of the extended benefits provisions of the Power for Jobs legislation contained in Article 6 of the Economic Development Law as amended by Chapter 313 of the Laws of 2005; and be it further

RESOLVED, That the Board recommends to the Power Authority of the State of New York the application for full or partial reconsideration for contract extensions for benefits to remain at reduced amount discussed herein totaling 140 kW until December 31, 2006.

In response to a question from Chairman McCullough, Mr. Pasquale provided an overview of the reconsideration process from last fall to date. Staff has sent 200 letters regarding the reconsideration process to companies whose PFJ allocations were reduced. Of that number, 105 companies, or 52.5%, sent in applications for reconsideration. Of those 105 companies, 77% had their allocation fully or partially restored. Forty-six had their allocations fully reinstated, 33 had their allocations partially reinstated and 25 had their allocations remain at the reduced level; staff is following up with 2 companies for additional details to enable staff to make a recommendation to EDPAB.

**New York Power Authority
 Power for Jobs Extended Benefits
 Recommendations for Full or Partial Reinstatement
 Electricity Savings Reimbursements**

"Exhibit "3-A"
 May 23, 2006

Line	Company	City	Original KW	Jobs in Application 2005	Reduction KW	Reduced Allocation KW	Reconsideration Full/ Partial	Recommended Reinstated KW	Recommended Allocation After Reinstatement KW	Final Commitment Jobs	Service
1	Applied Energy Solutions (CEN Elec)	Caledonia	300	64	140	160	Full	140	300	64	Manufacturer of battery chargers
Totals			300	64	140	160		140	300	64	

4. **Next Meeting**

The next meeting of the Board is to be determined.