

**ECONOMIC DEVELOPMENT POWER  
ALLOCATION BOARD**

**MINUTES**

**May 19, 2008**

**Video Conference – 10:00 a.m.**

***New York Power Authority Offices:***

***123 Main Street, 16<sup>th</sup> Floor, White Plains, NY***

***30 South Pearl Street, 10<sup>th</sup> Floor, Albany, NY***

***Niagara Power Project, 5777 Lewiston Road, Lewiston, NY***

1. Approval of the Minutes of the Meeting of April 29, 2008
2. Power for Jobs Extended Benefits Recommendations  
for Electricity Savings Reimbursements

**A. COMPANIES IN JOB COMPLIANCE**

**Con Edison - Service Territory**

Acme Smoked Fish Corp.  
Brooklyn – Kings County

Elaine Kaufman Cultural Center  
New York – New York County

American Ballet Theater  
New York – New York County

New York Presbyterian Hospital  
New York – New York County

Bank of New York  
New York – New York County

New York University  
New York – New York County

Belmont Metals, Inc.  
Brooklyn – Kings County

Norampac New York City, Inc  
Maspeth – Queens County

Beth Israel Medical Center  
New York – New York County

S.R. Guggenheim Museum  
New York – New York County

Charmer Industries, Inc.  
Astoria – Queens County

The Museum of Modern Art  
New York – New York County

**Long Island Power Authority - Service Territory**

Standard Microsystems  
Hauppauge – Suffolk County

**National Grid - Service Territory**

Bank of New York  
Oriskany - Oneida County

Snyder Industries, Inc.  
North Tonawanda – Niagara County

Bristol-Myers Squibb Company  
East Syracuse – Onondaga County

Specialized Packaging Radisson, Inc.  
Baldwinsville - Onondaga County

Cooper Industries (Cooper Crouse-Hands)  
Syracuse - Onondaga County

Standard Manufacturing Co., Inc.  
Troy – Rensselaer County

Delphi Automotive Systems  
Amherst – Erie County

Syracuse University  
Syracuse - Onondaga County

Ford Motor Company  
Buffalo – Erie County

Turbine Engine Components Technologies  
Whitesboro – Oneida County

Higbee, Inc.  
Syracuse - Onondaga County

**New York State Electric and Gas – Service Territory**

Audio Sears  
Stamford – Delaware County

Corning, Inc. (Big Flats)  
Big Flats – Chemung County

Corning (Erwin Plant)  
Corning – Steuben County

Corning (Sullivan Park)  
Corning, Inc. – Steuben County

**B. COMPANIES NOT IN JOB COMPLIANCE**

**National Grid - Service Territory - Service Territory**

Faster Form Corp  
Frankfort – Herkimer County

Precision Systems Mfg., Inc  
Liverpool – Onondaga County

**OTHER BUSINESS**

3. 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:

**Daniel C. Gundersen**, Chairman (Albany, NY)  
**Bernard P. McGarry**, Member (Albany, NY)  
**James A. Duncan**, Member, (Lewiston, NY)

**Frank S. McCullough, Jr.**, Member (Excused)

**Also in attendance were:**

Roger B. Kelley	President and Chief Executive Office, NYPA
Thomas J. Kelly	Executive Vice President, General Counsel and Chief of Staff, NYPA
Anne B. Cahill	Corporate Secretary, NYPA
Thomas Warmath	Vice President and Chief Risk Officer
Joseph C. Carline	Assistant General Counsel, NYPA
John B. Hamor	Executive Director – State Governmental Relations, NYPA
James F. Pasquale	Director – Business Power Allocations, Compliance and Municipal and Cooperative Marketing, NYPA
Connie Cullen	Deputy Director – Media Relations, NYPA
Anthony C. Savino	Manager – Business Power Allocations and Compliance, NYPA
Mary Jean Frank	Associate Corporate Secretary, NYPA
Lorna M. Johnson	Assistant Corporate Secretary, NYPA
Kristen Mucitelli-Heath	Special Advisor to Commissioner, ESDC
Keith Corneau	Energy Policy, ESDC

**May 19, 2008**

1. **Adoption of Minutes**

The minutes of the meeting of April 29, 2008, were unanimously adopted.

2. **Power for Jobs Program - Extended Benefits**

**SUMMARY**

The Members of the Economic Development Power Allocation Board (“EDPAB”) are requested to approve extended benefits for 30 Power for Jobs (“PFJ”) customers as listed in Exhibit “A” and “B.”

**BACKGROUND**

In July 1997, the New York State Legislature approved a program to provide low-cost power to businesses and not-for-profit corporations that agree to retain or create jobs in New York State. In return for commitments to create or retain jobs, successful applicants receive three-year contracts for PFJ electricity.

The PFJ program originally made 400 megawatts (“MW”) of power available. The program was to be phased in over three years, with approximately 133 MW made available each year. In July 1998, as a result of the initial success of the program, the Legislature amended the PFJ statute to accelerate the distribution of the power and increase the size of the program to 450 MW.

In May 2000, legislation was enacted that authorized another 300 MW of power to be allocated under the PFJ program. Legislation further amended the program in July 2002.

Chapter 59 of the Laws of 2004 extended the benefits for PFJ customers whose contracts expired before the end of the program in 2005. Such customers had to choose to receive an “electricity savings reimbursement” rebate and/or a power contract extension. The Authority was also authorized to voluntarily fund the rebates, if deemed feasible and advisable by the Trustees.

PFJ customers whose contracts expired on or prior to November 30, 2004 were eligible for a rebate to the extent funded by the Authority from the date their contract expired through December 31, 2005.

PFJ customers whose contracts expired after November 30, 2004 were eligible for rebate or contract extension, assuming funding by the Authority, from the date their contracts expired through December 31, 2005.

Approved contract extensions entitled customers to receive the power from the Authority pursuant to a sale-for-resale agreement with the customer’s local utility. Separate allocation contracts between customers and the Authority contained job commitments enforceable by the Authority.

In 2005, provisions of the approved State budget extended the period PFJ customers could receive benefits until December 31, 2006. Chapter 645 of the Laws of 2006 included provisions extending program benefits until June 30, 2007. Chapter 89 of the Laws of 2007 included provisions extending program benefits until June 30, 2008. Chapter 59 of the Laws of 2008 included provisions extending the program benefits until June 30, 2009.

At its meeting of October 18, 2005, EDPAB approved criteria under which applicants whose extended benefits EDPAB had reduced for non-compliance with their job commitments could apply to have their PFJ benefits reinstated in whole or in part. EDPAB authorized staff to create a short-form application, notify customers of the process, send customers the application and evaluate reconsideration requests based on the approved criteria.

**DISCUSSION**

EDPAB is requested to recommend that the Authority Trustees approve electricity savings reimbursement rebates to the 30 PFJ customers, 28 of which are meeting their current job commitment and are listed in Exhibit “A”. However, two customers reported actual job numbers below their contractual commitment we are recommending that these customers have their allocation reduced proportionately to their job shortfall where appropriate. These customers are listed in Exhibit “B”. Collectively, these organizations have agreed to retain more than 46,000 jobs in New York State in exchange for rebates. The rebate program will be in effect until June 30, 2009, the program’s sunset.

RECOMMENDATION

It is requested that the Economic Development Power Allocation Board recommend that the Authority Trustees approve the payment of electricity savings reimbursements to the 30 business listed in Exhibits “A” and “B.”

*Mr. James Pasquale presented the highlights of staff’s recommendations to the Board. In response to a question from Chairman Daniel Gundersen, Mr. Pasquale explained that customers not meeting their job commitments can apply for reconsideration under the following criteria approved by the Board:*

- *Additional employees have been hired since the application was submitted.*
- *Employment has been affected by a temporary circumstance, such as a fire or a flood.*
- *Employment has been affected by a local, regional, or global economic slowdown.*
- *The applicant is the largest taxpayer or employer in the area where the business is located.*
- *Without its full PFJ allocation, the applicant may relocate to another state or close its operations in New York State.*
- *In the case of not-for-profit applicants, the applicant provides substantial benefits for the local community.*

*Mr. Pasquale said that since the reconsideration process began in 2005, more than 200 PFJ applicants have been sent the reconsideration criteria and more than 100 of those applicants have sent letters requesting reconsideration. When those letters are received, three Authority staff independently review and then meet to discuss them. In some cases, the original PFJ allocation is reinstated in full or in half and in other cases the original allocation is not reinstated at all.*

*Responding to another question from Chairman Gundersen, Mr. Pasquale said that two of the 30 companies on today’s agenda met at least one of the reconsideration criteria, while the others that are shown as not meeting their job commitments had already applied for reconsideration and had their allocations reinstated fully.*

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:**

**A. COMPANIES IN JOB COMPLIANCE**

**Con Edison - Service Territory**

**Acme Smoked Fish Corp.  
Brooklyn – Kings County**

**American Ballet Theater  
New York – New York County**

**Elaine Kaufman Cultural Center  
New York – New York County**

**New York Presbyterian Hospital  
New York – New York County**

**Bank of New York**  
New York – New York County

**New York University**  
New York – New York County

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

**Norampac New York City, Inc**  
Maspeth – Queens County

**Beth Israel Medical Center**  
New York – New York County

**S.R. Guggenheim Museum**  
New York – New York County

**Charmer Industries, Inc.**  
Astoria – Queens County

**The Museum of Modern Art**  
New York – New York County

**Long Island Power Authority - Service Territory**

**Standard Microsystems**  
Hauppauge – Suffolk County

**National Grid - Service Territory**

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

**Snyder Industries, Inc.**  
North Tonawanda – Niagara County

**Bristol-Myers Squibb Company**  
East Syracuse – Onondaga County

**Specialized Packaging Radisson, Inc.**  
Baldwinsville - Onondaga County

**Cooper Industries (Cooper Crouse-Hands)**  
Syracuse - Onondaga County

**Standard Manufacturing Co., Inc.**  
Troy – Rensselaer County

**Delphi Automotive Systems**  
Amherst – Erie County

**Syracuse University**  
Syracuse - Onondaga County

**Ford Motor Company**  
Buffalo – Erie County

**Turbine Engine Components Technologies**  
Whitesboro – Oneida County

**Higbee, Inc.**  
Syracuse - Onondaga County

**New York State Electric and Gas – Service Territory**

**Audio Sears**  
Stamford – Delaware County

**Corning, Inc. (Big Flats)**  
Big Flats – Chemung County

**Corning (Erwin Plant)**  
Corning – Steuben County

**Corning (Sullivan Park)**  
Corning, Inc. – Steuben County

**B. COMPANIES NOT IN JOB COMPLIANCE**

**National Grid - Service Territory - Service Territory**

**Faster Form Corp**  
Frankfort – Herkimer County

**Precision Systems Mfg., Inc**  
Liverpool – Onondaga County

May 19, 2008

**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 59 of the Laws of 2008; and be it further**

**RESOLVED, That the Board recommends to the Power Authority of the State of New York the 30 applications for extended benefits recommendations for electricity savings reimbursements discussed herein totaling 42,225 kW until June 30, 2009.**

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	Job Committed	Jobs in Application			Compliance	Recommended Allocation		Type	Service
							Over (under)	% Over (under)			KW	Jobs/MW		
1	Acme Smoked Fish Corp.	Brooklyn	Kings	Con Ed	400	152	152	0	0%	Yes	400	380	Large	Food processor
2	American Ballet Theater	New York	New York	Con Ed	25	242	175	-67	-28%	Yes*	20	8,750	NFP	Performing arts organization
3	Bank of New York	New York	New York	Con Ed	4,700	6180	6,339	159	3%	Yes	4,700	1,349	Large	Banking Services
4	Belmont Metals, Inc.	Brooklyn	Kings	Con Ed	400	84	83	-1	-1%	Yes	400	208	Large	Manufacturer of non-ferrous metals
5	Beth Israel Medical Center	New York	New York	Con Ed	3,800	6634	7,001	367	6%	Yes	3,800	1,842	NFP	Health Care Center
6	Charmer Industries, Inc.	Astoria	Queens	Con Ed	750	768	938	170	22%	Yes	750	1,251	Large	Distributors of wines and spirits
7	Elaine Kaufman Cultural Center	New York	New York	Con Ed	60	70	72	2	3%	Yes	60	1,200	NFP	Multi-arts center
8	New York Presbyterian Hospital	New York	New York	Con Ed	5,000	8,540	8,423	-117	-1%	Yes	5,000	1,685	NFP	Medical care
9	New York University	New York	New York	Con Ed	1,700	16,216	9,817	-6,399	-39%	Yes*	1,700	5,775	NFP	Institution of Higher Education
10	Norampac New York City, Inc	Maspeth	Queens	Con Ed	600	213	204	-9	-4%	Yes	600	340	Large	Makes corrugated paper packaging/displays
11	S. R. Guggenheim Museum	New York	New York	Con Ed	475	380	390	10	3%	Yes	475	821	NFP	Art Museum
12	The Museum of Modern Art	New York	New York	Con Ed	1,000	800	765	-35	-4%	Yes	1,000	765	NFP	Museum
<b>Total Con Edison</b>			<b>Subtotal</b>	<b>12</b>	<b>18,910</b>	<b>40,279</b>	<b>34,359</b>				<b>18,905</b>			
13	Standard Microsystems Corp.	Hauppauge	Suffolk	LIPA	1,050	401	403	2	0%	Yes	1,050	384	Large	Maker and supplier of computer circuits
<b>Total LIPA</b>			<b>Subtotal</b>	<b>1</b>	<b>1,050</b>	<b>401</b>	<b>403</b>				<b>1,050</b>			
14	Bank of New York	Oriskany	Oneida	N. Grid	500	759	791	32	4%	Yes	500	1,582	Large	Banking Services
15	Bristol-Myers Squibb Company	East Syracuse	Onondaga	N. Grid	5,000	1,052	987	-65	-6%	Yes	5,000	197	Large	Manufacturer of bulk antibiotics
16	Cooper Industries (Cooper Crouse-Hinds)	Syracuse	Onondaga	N. Grid	2,350	579	592	13	2%	Yes	2,350	252	Large	Manufacturer of electrical equipment
17	Delphi Automotive Systems	Amherst	Erie	N. Grid	150	166	166	0	0%	Yes	150	1,107	Small	Automotive components
18	Ford Motor Company	Buffalo	Erie	N. Grid	5,000	1,610	1,462	-148	-9%	Yes	5,000	292	Large	Automotive components stamping
19	Higbee Inc.	Syracuse	Onondaga	N. Grid	100	48	47	-1	-2%	Yes	100	470	Small	Mfr. of gaskets, and sealing products
20	Snyder Industries, Inc.	N. Tonawanda	Niagara	N. Grid	350	110	98	-12	-10%	Yes	350	280	Small	Machinery
21	Specialized Packaging Radisson, Inc.	Baldwinsville	Onondaga	N. Grid	180	153	173	20	13%	Yes	180	961	Small	Produces printed folding cartons
22	Standard Manufacturing Co., Inc.	Troy	Rensselaer	N. Grid	30	41	67	26	63%	Yes	30	2,233	Small	Apparel
23	Syracuse University	Syracuse	Onondaga	N. Grid	2,000	4,479	4,530	51	1%	Yes	2,000	2,265	NFP	Institution of Higher Education
24	Turbine Engine Components Technologies	Whitesboro	Oneida	N. Grid	1,200	268	281	13	5%	Yes	1,200	234	Large	Precision forging plant
<b>Total National Grid</b>			<b>Subtotal</b>	<b>11</b>	<b>16,860</b>	<b>9,265</b>	<b>9,194</b>				<b>16,860</b>			
25	Audio Sears	Stamford	Delaware	NYSEG	190	85	89	4	5%	Yes	190	468	Small	Makes audio equipment
26	Corning (Erwin Plant)	Corning	Steuben	NYSEG	1,500	652	614	-38	-6%	Yes	1,500	409	Large	Manufacturer optical fiber/glass/ceramic
27	Corning, Inc.- (Big Flats)	Big Flats	Chemung	NYSEG	500	117	122	5	4%	Yes	500	244	Large	Manufacturer optical fiber/glass/ceramic
28	Corning, Inc. (Sullivan Park)	Corning	Steuben	NYSEG	3,000	1,448	1,495	47	3%	Yes	3,000	498	Large	Manufacturer optical fiber/glass/ceramic
<b>Total NYSEG</b>			<b>Subtotal</b>	<b>4</b>	<b>5,190</b>	<b>2,302</b>	<b>2,320</b>				<b>5,190</b>			

<b>Total</b>	<b>28</b>	<b>42,010</b>	<b>52,247</b>	<b>46,276</b>
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<b>42,005</b>
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\* This company has had all or part of their allocation restored through the reconsideration process or was deemed compliant based on program processes.

Economic Development Power Allocation Board  
 Power for Jobs - Extended Benefits  
 Recommendation for Electricity Savings Reimbursements  
 Companies in Not Job Compliance

Line	Company	City	County	IOU	KW	Job Committed	Jobs in Application	Over (under)	% Over (under)	Compliance	Recommended Allocation KW	Jobs/MW	Type	Service
1	Faster Form Corp.	Frankfort	Herkimer	N. Grid	50	49	40	-9	-18%	No	40	1,000	Small	Makes accessories for floral arrangements
2	Precision Systems Mfg., Inc.	Liverpool	Onondaga	N. Grid	200	71	63	-8	-11%	No	180	350	Small	Machining and sheet metal manufacturing
<b>Total NYSEG</b>			<b>Subtotal</b>	<b>2</b>	<b>250</b>	<b>120</b>	<b>103</b>				<b>220</b>			

<b>Total</b>	<b>2</b>	<b>250</b>	<b>120</b>	<b>103</b>
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<b>220</b>
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May 19, 2008

*Other Business*

*Mr. Bernard McGarry said that since this was Mr. John Hamor's last EDPAB meeting, he wanted to say what a great resource and good friend Mr. Hamor had been over the years. Chairman Gundersen thanked Mr. Hamor and wished him well and Mr. James Duncan added his congratulations on Mr. Hamor's retirement.*

3. **Next Meeting**

The next meeting of the Board is to be determined.