NEW YORK POWER AUTHORITY 2015 ACCOMPLISHMENTS

NYPA's Strategic Vision 2020 continued to guide the organization's focus on six initiatives: Customer Solutions, Asset Management, Smart Generation & Transmission, Knowledge Management, Process Excellence and Workforce Development.

- In 2015, the New York Power Authority (NYPA) generated 28.7 billion kilowatt-hours (kWh) of electricity, with hydropower accounting for 74 percent of this amount. Total electricity sales, including power purchased from other generators, were 39.2 billion kWh.
- NYPA's Generation Market Readiness, representing the availability of its power plants for bidding into New York's wholesale electricity marketplace, was 99.15 percent.
- The Power Authority's Transmission Reliability was 96.83 percent, exceeding the target set for the year as a result of effectively managing both scheduled and forced outages, and keeping emergent outages to a minimum. Some 6,246 hours of transmission maintenance were scheduled, managed and performed.
- NYPA realized net income for 2015 of \$74 million.
- As an indication of the NYPA's strong financial health, Standard & Poor's, Moody's and Fitch
 reaffirmed the Power Authority's long-term ratings of AA, Aa1 and AA, respectively, in conjunction
 with a bond refinancing that will save NYPA customers approximately \$8 million in debt service
 costs. The agencies cited NYPA's "prudent financial management policies," "solid financial and
 operating performance" and "strong debt service coverage and liquidity."
- NYPA reached the halfway mark of a \$20 million Life Extension and Modernization (LEM) program at three of its four small hydropower plants—Ashokan, Crescent and Vischer Ferry.
- NYPA continued to administer Gov. Andrew M. Cuomo's ReChargeNY economic development program. Power Authority trustees approved 69 new low-cost power allocations totaling more than 32 megawatts (MW) to 56 businesses and not-for-profits, which will help to create or protect more than 14,700 jobs. Approximately 840 allocations and over 402,000 jobs have been linked to the program since it began in 2012.
- ReCharge NY's first five-year progress report was delivered to Governor Cuomo in 2015. It found that the program has led to \$33 billion in capital investments statewide since inception. About 70 percent of the awards to date have gone to manufacturing companies, with the remainder helping businesses in health care and social assistance; wholesale trade, professional, scientific and technical services; and information.
- NYPA trustees approved low-cost Expansion Power and Replacement Power allocations to nine Western New York businesses, totaling more than 13.5 MW, in return for commitments to create 420 jobs and leverage capital investments of more than \$220 million. Trustees also approved a Preservation Power allocation to one Jefferson County firm, for 0.3 MW, in exchange for commitments to create 10 jobs and leverage more than \$6.6 million in capital investments.
- NYPA trustees approved nearly \$10 million in funding to Western New York enterprises from recommendations from the Western New York Power Proceeds Allocation Board. The awards support the retention of more than 220 jobs and the creation of more than 110 jobs, leveraging nearly \$70 million in capital investments.
- The North Country Economic Development Fund, whose board includes a NYPA representative, approved two loans in 2015 totaling \$400,000. In return, the recipients committed in total to retaining 47 jobs, creating 17 new jobs and investing approximately \$3.5 million.
- NYPA continues to advance Governor Cuomo's BuildSmart NY initiative, a wide-ranging strategic effort aimed at reducing the state government's energy use 20 percent by 2020. In 2015, NYPA

launched a program targeted at improving operations and maintenance (O&M) practices at state facilities. The O&M Acceleration Program (OMAP) leverages informational resources, low-costfinancing and public recognition to disseminate and implement O&M best practices, resulting in cost-effective and sustainable energy reductions.

- In 2015, NYPA's Energy Services Program completed 53 projects at public facilities throughout the state which are expected to save taxpayers more than \$9.9 million in annual energy costs while reducing greenhouse gas emissions by 45,040 tons a year.
- In support of minority- and women-owned business enterprises, NYPA's Supplier Diversity Program conducted \$53.6 million in business in 2015 with state-certified firms, representing 18 percent of all reportable expenditures.
- More than 125,000 people visited NYPA's three visitors centers in 2015, and the Power Authority provided 192 educational tours to 10,136 students. In all, 244 organizations with almost 25,000 participants used the three visitor centers for community functions during the year.
- By the end of the 2015, 318 school districts across 59 counties registered for NYPA's K-Solar program to install solar power for school buildings. Ten districts signed agreements that total 24 individual power purchase agreements and 10 MW of electricity.
- The Five Cities Energy Plans, which provide a framework for energy efficiency projects and cost savings in the cities of Albany, Buffalo, Rochester, Syracuse and Yonkers, were presented in 2015 and a \$20 million competitive grant competition was announced. NYPA provided each city with technical support to implement projects identified in their energy plans. The Power Authority also allocated \$4 million formula grants to the cities to help implement projects.
- NYPA's involvement in the planned Western New York Workforce Training Center in Buffalo was announced by Governor Cuomo as a way to train people for careers in energy and advanced manufacturing. The Power Authority will provide up to \$15 million and oversee the facility's Utility of the Future & Clean Energy Training Center, which will focus on the need for innovative training, recruiting and retention strategies.
- Work continued on a 12-year, \$726 million Transmission Life Extension and Modernization (TLEM) program for NYPA's transmission system. Highlights include:
 - o Marcy Switchyard: More than \$8.9 million in contracts were awarded for power circuit breakers and instrument transformers
 - Niagara Power Project: Line relay protection was upgraded for three transmission lines. An autotransformer was replaced for \$5.2 million and \$11.3 million contract was awarded for equipment installation
 - o Massena Substation: A new autotransformer was installed and two reactors were refurbished
- Funding was approved for a \$68 million joint project with Vermont Electric to replace transmission cables that connect a NYPA substation in Plattsburgh with one in Milton, Vt. The new cables, which are expected to be in service in 2017, support increased energy demand and will have fiber-optic capability for existing and future communications needs. The line can support two-way transmission, so one utility could bolster the other's supply on peak demand days.
- A proposed study plan for NYPA's Blenheim-Gilboa Pumped Storage Power Project was approved by the Federal Energy Regulatory Commission (FERC) as part of a bid to obtain a new operating license. The Power Authority made significant progress in 2015 toward completing related studies required by FERC. NYPA plans to submit an application in 2017 to obtain a new 50-year license; the existing one expires in April 2019.
- NYPA reached agreement with the International Brotherhood of Electrical Workers on a contract that covers about 560 employees at the St. Lawrence-FDR and Niagara power projects, the Blenheim-Gilboa Pumped Storage Power Project and small hydropower facilities in five upstate counties. The agreement is retroactive to April 1, 2011, and runs through March 2019.