



NY State Economic Development Power Allocation Board

ANDREW M. CUOMO
Governor

ECONOMIC DEVELOPMENT POWER ALLOCATION BOARD

MINUTES

December 9, 2019 – 10:30 a.m.

Via Videoconference from

Clarence D. Rappleyea Building, White Plains, New York

New York Power Authority Offices:

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

21 Hawkins Point Road, Massena, NY (St. Lawrence Visitor's Center)

CWA, 80 Pine Street, 37th Floor, New York, NY

Silver Law Office, 44 Court Street, Canton, NY

1. Approval of the December 9, 2019 Proposed Meeting Agenda
2. Approval of the Minutes of the Meeting of September 24, 2019
3. Approval of the 2020 Proposed Meeting Schedule
4. Approval of Recharge New York Power Program – New Allocations
5. Approval of Recharge New York Power Allocation Extensions
6. Approval of Transfer of RNY Power Program Allocations

OTHER BUSINESS

7. Next Meeting

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

- 1) New York Power Authority, 123 Main Street, White Plains, NY
- 2) New York Power Authority, 21 Hawkins Point Road, Massena, NY (St. Law. Visitor's Center)
- 3) CWA, 80 Pine Street, 37th Floor, New York, NY
- 4) Silver Law Office, 44 Court Street, Canton, NY

The following Members of the Board were present:

Eugene L. Nicandri, Chair
Dennis Trainor, Member
Andrew Silver, Member

Also in attendance were:

Justin Driscoll	Executive Vice President & General Counsel
Karen Delince	Vice President & Corporate Secretary, NYPA
Keith Hayes	Senior Vice President, Clean Energy Solutions, NYPA
Emily Alkiewicz	Manager, Business Power Allocations & Compliance, NYPA
Yale Brown	Senior Business Power Allocations & Compliance, NYPA
Lorna Johnson	Senior Associate Corporate Secretary, NYPA
Sheila Quatrocci	Associate Corporate Secretary, NYPA

Introduction

Chair Nicandri welcomed members of the Economic Development Power Allocation Board (“EDPAB”), Dennis Trainor and Andrew Silver. He also welcomed Authority senior staff to the meeting. He said that the meeting had been duly noticed as required by the Open Meetings Law and called the meeting to order pursuant to the EDPAB Bylaws, Article III, Section 2.

1. Approval of the Proposed Meeting Agenda

Chair Eugene Nicandri and Members Dennis Trainor and Andrew Silver declared no conflicts of interest based on the list of entities being considered for power allocations.

Upon motion made by Member Dennis Trainor and seconded by Chair Eugene Nicandri, the Agenda for the December 9, 2019 meeting was adopted.

2. **Approval of the Minutes**

Upon motion made by Member Dennis Trainor and seconded by Member Andrew Silver, the Minutes of the Meeting held on September 24, 2019 were unanimously approved.

3. **2020 Proposed Meeting Schedule**

Upon motion made by Member Dennis Trainor and seconded by Chair Eugene Nicandri, the 2020 Schedule of Meetings is approved.

2020 Schedule of EDPAB Meetings

<u>Date</u>	<u>Time</u>
January 27, 2020	10:00 a.m.
March 23, 2020	10:00 a.m.
May 11, 2020	10:00 a.m.
July 27, 2020	10:00 a.m.
September 21, 2020	10:00 a.m.
December 7, 2020	10:00 a.m.

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

RESOLVED, That the schedule of EDPAB Meetings for the year 2020, as set forth in the foregoing memorandum of the Vice President & Corporate Secretary, be, and hereby is, approved.

4. **Recharge New York Power Program – New Allocations**

SUMMARY

The Economic Development Power Allocation Board (“EDPAB” or “Board”) is requested to:

1. recommend that the New York Power Authority (“Authority” or “NYPA”) Trustees (“Trustees”) award allocations of Recharge New York (“RNY”) Power available for “retention” purposes to the businesses listed in Exhibit “A”;
2. recommend that the Trustees award allocations of RNY Power available for “expansion” purposes to the businesses listed in Exhibit “B”;
3. recommend that the Trustees award allocations of RNY Power available for eligible small businesses and/or not-for-profit corporations to the entities listed in Exhibit “C”;
4. determine that the applicants or projects listed in Exhibit “D” are ineligible for an allocation of RNY Power;
5. determine that the applicants listed in Exhibit “E” will not be recommended for an allocation of RNY Power; and
6. terminate the application review process for the applicants listed in Exhibit “F”.

The Board is further requested to recommend that, in addition to any other terms and conditions that the Authority determines in its discretion to be appropriate for the sale of any allocations recommended herein (“Allocations”), such terms and conditions include:

- (1) provisions for effective periodic audits of the customer for the purpose of determining contract and program compliance, and for the partial or complete withdrawal of an Allocation if the holder fails to maintain mutually agreed upon commitments, relating to, among other things, employment levels, power utilization, capital investments, and/or energy efficiency measures;
- (2) a requirement that the customer (a) undertake at its own expense an energy audit of its facilities at which the allocation is consumed at least once during the term of the allocation absent good cause, and (b) provide the Authority with a copy of any such audit or, at the authority's option, a report describing the results of such audit, and provide documentation requested by the Authority relating to the implementation of any efficiency measures at the facilities; and
- (3) an agreement by the customer to make its facilities available for audits and related assessments that the Authority desires to perform, if any, and provide information requested by the Authority or its designee in surveys, questionnaires and other information requests relating to energy efficiency and energy-related projects, programs and services.

BACKGROUND

On April 14, 2011, Governor Andrew M. Cuomo signed into law the RNY Power Program as part of Chapter 60 (Part CC) of the Laws of 2011 (“Chapter 60”). The program makes available 910 megawatts (“MW”) of “RNY Power,” 50% of which will be provided by the Authority’s hydropower resources and 50% of which will be procured by the Authority from other sources. RNY Power contracts can be for a term of up to 7 years in exchange for job and capital investment commitments.

RNY Power is available to businesses and not-for-profit corporations for job retention and business expansion and attraction purposes. Specifically, Chapter 60 provides that at least 350 MW of RNY Power shall be dedicated to facilities in the service territories served by the New York State Electric and Gas, National Grid and Rochester Gas and Electric utility companies; at least 200 MW of RNY Power shall be dedicated to the purpose of attracting new businesses and encouraging expansion of existing businesses statewide; and up to 100 MW shall be dedicated for eligible not-for-profit corporations and eligible small businesses statewide.

Under the statute, “eligible applicant” is defined to mean an eligible business, eligible small business, or eligible not-for-profit corporation, however, an eligible applicant shall not include retail businesses as defined by EDPAB, including, without limitation, sports venues, gaming or entertainment-related establishments or places of overnight accommodations. At its meeting on April 24, 2012, EDPAB defined a retail business as a business that is primarily used in making retail sales of goods or services to customers who personally visit such facilities to obtain goods or services, consistent with the rules previously promulgated by EDPAB for implementation of the Authority’s Economic Development Power program.

Prior to entering into a contract with an eligible applicant for the sale of RNY Power, and prior to the provision of electric service relating to a RNY Power allocation, the Authority must offer each eligible applicant that has received an award of RNY Power the option to decline to purchase the RNY Market Power component of such award. If the applicant declines to purchase the RNY Market Power component from the Authority, the Authority has no responsibility for supplying RNY Market Power component of the award.

As part of Governor Andrew M. Cuomo’s initiative to foster business activity and streamline economic development, applications for all statewide economic development programs, including the RNY Power Program, have been incorporated into a single on-line Consolidated Funding Application (“CFA”) marking a fundamental shift in how State economic development resources are marketed and allocated. Beginning in September 2011, the CFA was available to applicants. The CFA continues to serve as an efficient and effective tool to streamline and expedite the State’s efforts to generate sustainable economic growth and employment opportunities. All applications that are considered for an RNY Power allocation are submitted through the CFA process.

Applications for RNY Power are subject to a competitive evaluation process and are evaluated based on criteria set forth in the governing statutes (“RNY Statutes”): The statutory criteria are listed in Exhibit “G” to this memorandum.

RNY Power allocations have been awarded by the Trustees on twenty-four prior occasions spanning from April 2012 through September 2019. Of the 200 MW block of RNY Power made available pursuant to Chapter 60 for business “expansion” purposes, 87.2 MW remain unallocated. Of the 100 MW of RNY Power that is set aside for not-for-profit corporations and small businesses pursuant to Chapter 60, 0.4 MW remain unallocated. Of the remaining RNY Power made available pursuant to Chapter 60, 105.3 MW remain unallocated.

These figures reflect Trustee actions on RNY Power applications taken prior to any recommendations that EDPAB makes today.

An allocation recommended by EDPAB qualifies the subject applicant to enter into a contract with the Authority for the purchase of the RNY Power assuming that the Authority concurs with EDPAB and makes an allocation award.

DISCUSSION

For the current round of recommendations, Authority staff has reviewed applications seeking RNY Power allocations. Exhibits “A”, “B” and “C” list, among other things, a description of the applicant and its business, the amount of the allocation requested, the amount of the allocation recommended, the jobs that

would be created and/or retained, the proposed capital investment, and the proposed allocation term. Based on the evaluation of the criteria listed in Exhibit “E”, the applications were scored and ranked.

In arriving at recommendations for EDPAB’s consideration, staff, among other things, attempted to maximize the economic benefits of low cost NYPA hydropower, the critical state asset at the core of the RNY Power Program, while attempting to ensure that each recipient receives a meaningful RNY Power allocation.

Business applicants with relatively high scores were recommended for allocations of retention RNY Power of 50% of the requested amount or average historic demand, whichever was lower. These allocations were capped at 10 MW for any recommended allocation. Not-for-profit corporation applicants that scored relatively high were recommended for allocations of 33% of the requested amount or average historic demand, whichever was lower. These allocations were capped at 5 MW. Applicants currently receiving hydropower allocations under other Authority power programs were recommended for allocations of RNY Power of 25% of the requested amount, subject to the caps as stated above.

1. Retention-Based RNY Power Allocations

Staff recommends that EDPAB recommend to the NYPA Trustees that the applications listed on Exhibit “A” be awarded *retention*-based RNY Power allocations in the amounts indicated. Each business has stated a willingness to create or retain jobs in New York State. Additionally, these applicants will be committing to capital investments in exchange for the recommended RNY Power allocations. Unless otherwise indicated in Exhibit “A”, these applications seek a RNY Power allocation for job retention purposes only.

The RNY Power “retention” allocations identified in Exhibit “A” are each recommended for a term of 7 years unless otherwise indicated. The Authority’s RNY Power sale contract form will contain provisions addressing such matters as:

- supplemental commitments by the customer relating to job creation, capital investments and power usage;
- effective periodic audits of the recipient of an allocation for the purpose of determining contract and program compliance, and for the partial or complete withdrawal of an allocation if the recipient fails to maintain mutually agreed upon commitments, relating to among other things, employment levels, power utilization, and capital investments;
- a requirement that a recipient of an allocation perform an energy efficiency audit at its facility; and
- an agreement by the customer to make its facilities available for audits and related assessments that the Authority desires to perform, and provide information requested by the Authority relating to energy efficiency and energy-related projects, programs and services

2. Expansion-Based RNY Power Allocations

Staff recommends that EDPAB recommend to the NYPA Trustees that the applications listed on Exhibit “B” be awarded *expansion*-based RNY Power allocations in the amounts indicated which would be sourced from the 200 MW block of RNY Power dedicated pursuant to statute for the businesses that propose to expand existing businesses or create new business in the State. Unless otherwise noted in Exhibit “B”, these applications seek a RNY Power allocation for expansion of an existing business or a new business/ facility. Each such allocation would be for a term of 7 years unless otherwise indicated.

As with the evaluation process used for the retention recommendations described above, applications for the expansion-based RNY Power were scored based on the statutory criteria, albeit with a focus on information regarding each applicants’ specific project to expand or create their new facility or

business (e.g., the expansion project's cost, associated job creation, and new electric load due to the expansion).

The respective amounts of the expansion-related allocations listed in Exhibit "B" are largely intended to provide approximately 70% of the individual expansion projects' estimated new electric load. Because these projects have estimated new electric load amounts, and to ensure that an applicant's overestimation of the amount needed would not cause that applicant to receive a higher proportion of RNY Power to new load, the allocations in Exhibit "B" are recommended on an "up to" amount basis. Each of these applicants would be required to, among other commitments, add the new electric load as stated in its application, and would be allowed to use up to the amount of their RNY Power allocation in the same proportion of the RNY Power allocation to requested load as stated in Exhibit "B." The contracts for these allocations would also contain the provisions previously summarized in section 1 above.

3. Small Business and/or Not-for-Profit RNY Power Allocations

Staff also recommends that EDPAB recommend to the NYPA Trustees that the small business and/or not-for-profit applicants listed on Exhibit "C" be awarded RNY Power allocations in the amounts indicated therein. The applicants have committed to retain and/or create jobs in New York State and make capital investments in exchange for the recommended RNY Power allocations as described in Exhibit "C". The contracts for these allocations would also contain the provisions previously summarized in section 1 above.

If the Trustees accept EDPAB's recommendations and award RNY Power allocations to the small businesses and/or not-for-profit applicants listed in Exhibit "C", the 100 MW block of power authorized by statute for these groups of customers will be close to fully allocated. Accordingly, a waiting list will be established for small businesses and not-for-profit applicants that are potentially eligible to be awarded RNY Power allocations when additional power becomes available.

4. Ineligibility Determinations

Based on its review of the applications of the companies listed in Exhibit "D", staff recommends that the Board determine that the applicants listed on Exhibit "D" are not eligible to receive RNY Power. The reasons for this recommendation are described in Exhibit "D" as to each applicant.

5. Applications Not Recommended for RNY Power

Based on its review of the applications of the companies listed in Exhibit "E", staff recommends that the Board not recommend the applications listed on Exhibit "E" for RNY Power for the reasons described in Exhibit "E".¹

6. Termination of Application Review Process

Staff recommends that the Board terminate the application review process for the applicants for RNY Power listed in Exhibit "F" on the grounds that the applicants listed have submitted incomplete applications, or have not been responsive to requests by staff for additional information, preventing a complete analysis of the application and rendering the subject RNY Power application(s) incomplete.

7. Recommendations on Terms and Conditions

Staff recommends that the Board recommend to the NYPA Trustees that, in addition to any other terms and conditions that the Authority determines in its discretion to be appropriate for the sale of the

8_____

¹ In view of the recommended disposition of the applications listed on Exhibit "E", staff has not considered the eligibility of the applicants listed on Exhibit "E", and is not making any recommendations concerning eligibility at this time.

allocations recommended by the Board as recommended in Exhibits "A", "B", and "C", such terms and conditions include:

- (a) provisions for effective periodic audits of the customer for the purpose of determining contract and program compliance, and for the partial or complete withdrawal of an Allocation if the business fails to maintain mutually agreed upon commitments, including those relating to employment levels, capital investments, power usage and energy efficiency measures;
- (b) a requirement that the customer undertake at its own expense an energy audit of its facilities at which the allocation is consumed absence good cause, and provide the Authority with a copy of any such audit or, at the Authority's option, a report describing the results of such audit, and provide documentation requested by the authority relating to the implementation of any efficiency measures at the facilities; and
- (c) an agreement by the customer to make its facilities available for audits and related assessments that the authority desires to perform, if any, and provide information requested by the Authority or its designee in surveys, questionnaires and other information requests relating to energy efficiency and energy-related projects, programs and services.

RECOMMENDATION

For the reasons stated above, staff recommends that the Board:

1. Recommend that the Authority Trustees award allocations of RNY Power (a) for retention purposes to the businesses listed in Exhibit "A" in the amounts indicated therein, (b) for expansion purposes to the businesses listed in Exhibit "B" in the amounts indicated therein, and (c) to the small business and/or not-for-profit applicants listed in Exhibit "C" in the amounts indicated therein;
2. Recommend that terms and conditions for the sale of any such allocations include:
 - (a) provisions for effective periodic audits of the customer for the purpose of determining contract and program compliance, and for the partial or complete withdrawal of an Allocation if the business fails to maintain mutually agreed upon commitments, including those relating to employment levels, capital investments, power usage and energy efficiency measures;
 - (b) a requirement that the customer undertake at its own expense energy audits of its facilities at which the allocation is consumed at least once during the term of the allocation absence good cause, and provide the Authority with a copy of any such audit or, at the Authority's option, a report describing the results of such audit, and provide documentation requested by the authority relating to the implementation of any efficiency measures at the facilities; and
 - (c) an agreement by the customer to make its facilities available for energy audits and related assessments that the authority desires to perform, if any, and provide information requested by the Authority or its designee in surveys, questionnaires and other information requests relating to energy efficiency and energy-related projects, programs and services.
3. Determine that the applicant(s) listed in Exhibit "D" are ineligible to receive RNY Power allocations for the reasons discussed in Exhibit "D".
4. Determine that the applicants listed in Exhibit "E" will not be recommended for allocations of RNY Power for the reasons discussed in Exhibit "E".
5. Determine that the application review process for the applicants listed in Exhibit "F" will be terminated for the reasons discussed in Exhibit "F".

Chairman Nicandri invited Mr. Keith Hayes, Senior Vice President of Clean Energy Solutions to present the Recharge New York Power Program – New Allocations item to the Board.

Mr. Hayes said staff is requesting that EDPAB recommend that the Authority's Trustees approve 15 new allocations of Recharge New York ("RNY") large business retention, large business expansion, and small business and not-for-profit based power allocations. 12 applications were evaluated for this period, all of which were submitted thru the State's Consolidated Funding Application system. The applications included both retention and expansion-based power allocation requests, in addition to requests from small businesses and not-for-profit organizations.

Upon motion made by Member Dennis Trainor and seconded by Member Andrew Silver, the Recharge New York Power Program – New Allocations, as recommended by staff, was approved by the Board.

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

RESOLVED, That the Economic Development Power Allocation Board ("Board") approved that the Board of Trustees ("Trustees") of the Power Authority of the State of New York ("Authority") award allocations of Recharge New York ("RNY") Power for retention purposes to the businesses listed in Exhibit "A" to the attached memorandum of the Senior Vice President of Clean Energy Solutions (the "Attached Memorandum") in the amounts indicated therein for the reasons indicated in Exhibit "A" and the Attached Memorandum; and be it further

RESOLVED, That the Board approved that the Authority Trustees award allocations of RNY Power for expansion purposes to the businesses listed in Exhibit "B" to the Attached Memorandum in the amounts indicated therein for the reasons indicated in Exhibit "B" and the Attached Memorandum; and be it further

RESOLVED, That the Board approved that the Authority Trustees award allocations of RNY Power to the small businesses and/or not-for-profit corporations listed in Exhibit “C” to the Attached Memorandum in the amounts indicated therein for the reasons indicated in Exhibit “C” and the Attached Memorandum; and be it further

RESOLVED, That the Board approved that in addition to any other terms and conditions that the Authority determines in its discretion to be appropriate for the sale of the allocations recommended herein such terms and conditions include:

- (1) provisions for effective periodic audits of the customer for the purpose of determining contract and program compliance, and for the partial or complete withdrawal of an Allocation if the business fails to maintain mutually agreed upon commitments, including those relating to employment levels, capital investments, power usage and energy efficiency measures;**
- (2) a requirement that the customer undertake at its own expense energy audits of its facilities at which the allocation is consumed at least once during the term of the allocation absence good cause, and provide the Authority with a copy of any such audit or, at the Authority's option, a report describing the results of such audit, and provide documentation requested by the authority relating to the implementation of any efficiency measures at the facilities; and**
- (3) an agreement by the customer to make its facilities available for audits and related assessments that the authority desires to perform, if any, and provide information requested by the Authority or its designee in surveys, questionnaires and other information requests relating to energy efficiency and energy-related projects, programs and services; and be it further**

RESOLVED, That the applicants and/or projects listed in Exhibit “D” are ineligible for RNY Power for the reasons discussed in the Attached Memorandum and Exhibit “D”; and be it further

RESOLVED, That the applicants listed in Exhibit “E” are not recommended for RNY Power for the reasons discussed in the Attached Memorandum and Exhibit “E”; and be it further

RESOLVED, That the application review process for the applicants listed in Exhibit “F” is terminated for the reasons discussed in the Attached Memorandum and Exhibit “F”.

Economic Development Power Allocation Board
 Recommendations - RNY Power Allocations for Retention Purposes

Exhibit "A"
 December 9, 2019

Line	Company	City	County	Economic Development Region	IOU	Description	kW Request	kW Recommendation	Jobs Retained	Jobs Created	Total Job Commitment	Capital Investment (\$)		Contract Term (years)
1	WHTB Glass LLC	Shirley	Suffolk	Long Island	LIPA	Manufacturer of architectural glass	21	10	16	0	16	\$5,000,000	(1),(2)	7
	Long Island Region Sub-totals:							10	16	0	16	\$5,000,000		
2	Lydall Performance Materials (US), Inc.	Beaver Falls	Lewis	North Country	NGRID	Manufacturer of gaskets & filtration products	1,830	916	54	0	54	\$3,800,000		7
	North Country Region Sub-totals:							916	54	0	54	\$3,800,000		

Totals

926	70	0	70	\$8,800,000
------------	-----------	----------	-----------	--------------------

- (1) This company is also recommended for an expansion-related allocation of RNY for separate and distinct job creation and capital investment commitments associated with the proposed business expansion.
- (2) This company is being considered as a large business for retention purposes as they are expanding and their total load is expected to increase significantly. The majority of their RNY kW award is contained in their expansion-related recommendation.

Economic Development Power Allocation Board
 Recommendations - RNY Power Allocations for Expansion Purposes

Exhibit "B"
 December 9, 2019

Line	Company	City	County	Economic Development Region	IOU	Description	kW Request	kW Recommendation (1)	Base Employment (3)	Job Creation Commitment	Project Capital Investment (\$)	Contract Term (years)
1	Cayuga Milk Ingredients, LLC	Auburn	Cayuga	Central New York	NYSEG	Manufacturer of dairy products	3,069	2,146	74	34	\$89,000,894 (4)	7
2	John Mezzalingua Associates, LLC	Syracuse	Onondaga	Central New York	NGRID	Manufacturer of wireless communication equipment	440	306	0	100	\$25,000,000	7
Central New York Region Sub-totals:								2,452	22	134	\$114,000,894	
3	Crescent Duck Farm, Inc.	Aquebogue	Suffolk	Long Island	LIPA	Duck farm	100	70	77	2	\$145,000 (4)	7
4	WHTB Glass LLC	Shirley	Suffolk	Long Island	LIPA	Manufacturer of architectural glass	3,500	2,450	16	34	\$5,500,000 (2)	8
Long Island Region Sub-totals:								2,520	0	36	\$5,645,000	
5	Tulip Molded Plastics Corporation	Niagara Falls	Niagara	Western New York	NGRID	Manufacturer of injection molded plastic parts	1,500	200	98	2	\$3,000,000	7
Western New York Region Sub-totals:								200	98	2	\$3,000,000	

Totals

5,172	120	172	\$122,645,894
--------------	------------	------------	----------------------

- (1) All expansion-based RNY Power allocations are recommended to be "up to" the amount indicated pending the applicant's compliance with contractual commitments, including commitments relating to job creation, capital investment spending and power utilization.
- (2) This company is also being recommended for a retention-based RNY Power allocation associated with separate and distinct contractual commitments relating to such matters as job retention, capital investment spending, and power utilization associated with an existing business.
- (3) The number of new jobs committed will be above a base employment level specified in the power sale contract with the applicant.
- (4) These applicants were previously approved for RNY Power allocations. The base employment level refers to the applicant's retained jobs, most of which are already associated with an existing power allocation.

Economic Development Power Allocation Board
 Recommendations - RNY Power Allocations for Retention and Expansion Purposes (Small Business and/or NFP Corporations)

Exhibit "C"
 December 9, 2019

Retention-Based Allocations

Line	Company	City	County	Economic Development Region	IOU	Description	kW Request	kW Recommendation	Jobs Retained	Jobs Created	Capital Investment (\$)		Contract Term (years)
1	Roll-N-View Farms, LLC	Nunda	Livingston	Finger Lakes	RGE	Dairy farm	21	10	12	0	\$250,000	(1)	7
	Finger Lakes Region Sub-totals:												
								10	12	0	\$250,000		
2	Great South Bay Brewery Corp.	Bay Shore	Suffolk	Long Island	LIPA	Brewery for craft beers	107	20	18	0	\$250,000	(1)	7
3	Ultra Thin Ready To Bake Pizza Shells N.Y., LLC	Deer Park	Suffolk	Long Island	LIPA	Manufacturer of pizza crusts & flatbreads	250	120	23	0	\$2,000,000		7
	Long Island Region Sub-totals:												
								140	41	0	\$2,250,000		
4	Buffalo Film Works, Inc.	Buffalo	Erie	Western New York	NGRID	Film production company	58	26	1	0	\$1,000,000		7
	Western New York Region Sub-totals:												
								26	1	0	\$1,000,000		

Retention-Based Totals

176	54	0	\$3,500,000
------------	-----------	----------	--------------------

Expansion-Based Allocations

Line	Company	City	County	Economic Development Region	IOU	Description	kW Request	kW Recommendation (3)	Base Employment	Job Creation Commitment	Project Capital Investment (\$)		Contract Term (years)
5	Klein's Kill Fruit Farms Corporation	Germantown	Columbia	Capital District	NGRID	Fruit farm	90	46	0	10	\$1,700,000		7
	Capital District Sub-totals:												
								46	0	10	\$1,700,000		
6	Roll-N-View Farms, LLC	Nunda	Livingston	Finger Lakes	RGE	Dairy farm	200	100	12	5	\$700,000	(1),(2)	7
	Finger Lakes Region Sub-totals:												
								100	0	5	\$700,000		
7	Great South Bay Brewery Corp.	Bay Shore	Suffolk	Long Island	LIPA	Brewery for craft beers	50	26	18	5	\$250,000	(1),(2)	7
	Long Island Region Sub-totals:												
								26	0	5	\$250,000		
8	Civic Hall Labs, Inc.	New York	New York	New York City	CONED	Technology & digital learning center	230	76	0	14	\$17,444,620		7
	New York City Region Sub-totals:												
								76	0	14	\$17,444,620		

Expansion-Based Totals

248	0	34	\$20,094,620
------------	----------	-----------	---------------------

Retention & Expansion-Based Totals

424	54	34	\$23,594,620
------------	-----------	-----------	---------------------

- (1) These applicants are being recommended for both RNY retention and expansion-based allocations.
- (2) The number of new jobs committed will be above a base employment level specified in the applicant's retention-based allocation recommendation.
- (3) All expansion-based RNY Power allocations are recommended to be "up to" the amount indicated pending the applicant's compliance with contractual commitments, including commitments relating to job creation, capital investment spending and power

Economic Development Power Allocation Board
 ReCharge New York Power Program
 Informational Item - Applicants Not Eligible

Exhibit "D"
 December 9, 2019

Line	Company	City	County	Economic Development Region	IOU	Description	Reason
1	Evelyn's Beauty Salon Unisex Inc.	Bronx	Bronx	New York City	CONED	Unisex beauty salon	The applicant's business falls within EDPAB's definition of a retail business. Specifically, the applicant operates a business that is primarily used in making retail sales of goods or services to customers who personally visit such facilities to obtain goods or services.

Economic Development Power Allocation Board
 ReCharge New York Power Program
 Informational Item - Applicants/Applications Not Recommended for RNY Power Allocation

Exhibit "E"
 December 9, 2019

Line	Company	City	County	Economic Development Region	IOU	Description	Reason ⁽¹⁾
1	King Brothers Dairy, LLC	Schuylerville	Saratoga	Capital District	NGRID	Dairy farm	The facility lacks demand metering preventing RNY Power delivery and billing.
2	Luncrest Farms LLC	Granville	Washington	Capital District	NGRID	Dairy farm	The facility lacks demand metering preventing RNY Power delivery and billing.

(1) Given the proposed disposition of these applications, the eligibility of these applicants for an RNY Power allocation has not been considered at this time.

New York Power Authority
 ReCharge New York Power Program
 Informational Item - Terminate Application/Review Process

Exhibit "F"
 December 9, 2019

Line	Company	City	County	Economic Development Region	IOU	Description	Reason
1	Buffalo Biodiesel Inc.	Tonawanda	Erie	Western New York	NGRID	Conversion of used cooking oil to biodiesel	Applicant submitted an incomplete application.
2	Currier Plastics, Inc.	Auburn	Cayuga	Central New York	NYSEG	Manufacturer of plastic molded products	Applicant submitted an incomplete application.
3	Qesos La Ricura, Ltd.	Brentwood	Suffolk	Long Island	LIPA	Manufacturer of cheese products	Applicant has been unresponsive to requests by staff for additional information, preventing a complete analysis of the application.
4	Z-TEK Group, Inc.	Commack	Suffolk	Long Island	LIPA	Manufacturer of aircraft battery systems	Applicant has been unresponsive to requests by staff for additional information, preventing a complete analysis of the application.

EXHIBIT G
(Statutory Criteria – RNY Power Program)

- the significance of the cost of electricity to the applicant's overall cost of doing business, and the impact that a Recharge New York power allocation will have on the applicant's operating costs;
- the extent to which a Recharge New York power allocation will result in new capital investment in the state by the applicant;
- the extent to which a Recharge New York power allocation is consistent with any regional economic development council strategies and priorities;
- the type and cost of buildings, equipment and facilities to be constructed, enlarged or installed if the applicant were to receive an allocation;
- the applicant's payroll, salaries, benefits and number of jobs at the facility for which a Recharge New York power allocation is requested;
- the number of jobs that will be created or retained within the state in relation to the requested Recharge New York power allocation, and the extent to which the applicant will agree to commit to creating or retaining such jobs as a condition to receiving a Recharge New York power allocation;
- whether the applicant, due to the cost of electricity, is at risk of closing or curtailing facilities or operations in the state, relocating facilities or operations out of the state, or losing a significant number of jobs in the state, in the absence of a Recharge New York power allocation;
- the significance of the applicant's facility that would receive the Recharge New York power allocation to the economy of the area in which such facility is located;
- the extent to which the applicant has invested in energy efficiency measures, will agree to participate in or perform energy audits of its facilities, will agree to participate in energy efficiency programs of the authority, or will commit to implement or otherwise make tangible investments in energy efficiency measures as a condition to receiving a Recharge New York power allocation;
- whether the applicant receives a hydroelectric power allocation or benefits supported by the sale of hydroelectric power under another program administered in whole or in part by the New York Power Authority;
- the extent to which a Recharge New York power allocation will result in an advantage for an applicant in relation to the applicant's competitors within the state; and
- in addition to the foregoing criteria, in the case of a not-for-profit corporation, whether the applicant provides critical services or substantial benefits to the local community in which the facility for which the Recharge New York power allocation is requested is located.

5. Recharge New York Power Allocation Extensions

SUMMARY

The Economic Development Power Allocation Board (“EDPAB” or “Board”) is requested to recommend that the New York Power Authority (“Authority” or “NYPA”) Trustees (“Trustees”) extend each of the existing 3 allocations of Recharge New York (“RNY”) Power (“Allocation” or collectively “Allocations”) awarded to the businesses listed in Exhibit “A” for a term of 7 years. The term would commence on the expiration of each such existing Allocation, or in the Authority’s discretion, on a date to be agreed upon by the parties, for a term not to exceed 7 years (collectively, the “Extended Term”).

The Board is further requested to recommend that, in addition to any other terms and conditions that the Authority determines in its discretion to be appropriate for the sale of the Allocations as extended (“Extended Allocation”), such terms and conditions include:

- (4) provisions for effective periodic audits of the customer whose Allocation is extended for the purpose of determining contract and program compliance, and for the partial or complete withdrawal of the Extended Allocation if the customer fails to maintain mutually agreed upon commitments, relating to, among other things, employment levels, power utilization, capital investments, and/or energy efficiency measures;
- (5) a requirement that the customer whose Allocation is extended (a) undertake at its own expense energy audit of its facilities at which the Extended Allocation is consumed absent good cause, and (b) provide the Authority with a copy of any such audit or, at the authority's option, a report describing the results of such audit, and provide documentation requested by the Authority relating to the implementation of any efficiency measures at the facilities; and
- (6) an agreement by the customer whose Allocation is extended to make its facilities available for audits and related assessments that the Authority desires to perform, if any, and provide information requested by the Authority or its designee in surveys, questionnaires and other information requests relating to energy efficiency and energy-related projects, programs and services.

Finally, the Board is also requested to recommend that the Trustees approve modifications related to previously-extended RNY Power allocations for the customers listed in Exhibit “B”. The allocations for these customers were conditionally extended on the basis of employment and other supplemental commitments they made in their existing power sale contracts with the Authority or an extension application. Since the time of the extension, the Authority has received additional information relating to the circumstances of these customers and has conferred with the customers concerning such issues as power needs, employment and capital investment commitments, and/or other relevant matters. Based on this information, staff is requesting that the Board recommend that the Authority Trustees make the changes to the allocations and/or supplemental commitments for the customers identified in Exhibit “B” for the reasons discussed below and in Exhibit “B”.

BACKGROUND

On April 14, 2011, Governor Andrew M. Cuomo signed into law the RNY Power Program as part of Chapter 60 (Part CC) of the Laws of 2011. The RNY Power Program is codified primarily in Economic Development Law (“EDL”) § 188-a and Public Authorities Law (“PAL”) § 1005(13-a). The program makes available 910 megawatts (“MW”) of “RNY Power,” 50% of which will be provided by the Authority’s resources and 50% of which will be procured by the Authority from other sources. RNY Power contracts can be for a term of up to 7 years in exchange for job and capital investment commitments. RNY Power is available to businesses and not-for-profit corporations for job retention and business expansion and attraction.

“Eligible applicant” is defined by statute to mean an eligible business, eligible small business, or eligible not-for-profit corporation, however, an eligible applicant shall not include retail businesses as defined by EDPAB, including, without limitation, sports venues, gaming or entertainment-related establishments or places of overnight accommodations.

RNY Power allocation awards are comprised of 50% hydropower and 50% Authority-procured market power. Prior to entering into a contract with an eligible applicant for the sale of RNY power, and prior to the provision of electric service relating to the RNY power allocation, the Authority shall offer each eligible applicant the option to decline to purchase the RNY market power component of such allocation. If an eligible applicant declines to purchase the RNY market power component, the Authority has no responsibility for supplying such market power to the eligible applicant.

Under applicable law, applications for RNY Power are first considered by EDPAB. EDPAB is authorized to recommend applicants to the Authority Trustees that it believes should receive an award of RNY Power based on applicable statutory criteria and other pertinent considerations. The statutory criteria are listed in Exhibit “C” to this memorandum.

An allocation recommended by EDPAB qualifies the subject applicant to enter into a contract with the Authority for the purchase of the RNY Power if the Authority makes an allocation award.

Currently, there are over 730 customers who have been awarded a collective total of 830 allocations of RNY Power.

At its last meeting held on September 24, 2019, EDPAB recommended that the Trustees extend 4 RNY Power allocations. These customers were among the original RNY Power applicants to receive RNY Power at the inception of the RNY Power program in 2012. The NYPA Trustees, at their meeting on September 25, 2019, accepted EDPAB’s recommendations and authorized extensions of the 4 RNY Power allocations.

EDPAB is now being requested to recommend that the Trustees extend an additional 3 RNY Power Allocations that are listed in Exhibit “A” for customers who are also among the original RNY Power applicants to receive RNY Power allocations at the inception of the RNY Power program in 2012.

In addition, the Board is being asked to recommend to the Trustees that modifications be made to the RNY Power allocations previously extended for the customers identified on Exhibit “B”, and/or the supplemental commitments for job and/or capital investments related to the previously extended allocations, as specified in Exhibit “B”, for the reasons discussed below and in Exhibit “B”.

DISCUSSION

1. Extension of Existing Allocations

For the current round of recommendations, Authority staff has reviewed applications from 3 RNY Power customers who are requesting that their existing RNY Power allocations be extended. Exhibit “A” lists, among other things, the name of each such customer, the amount of its current Allocation, and each customer’s supplemental commitments for jobs and capital investments under its existing RNY Power contract with the Authority (the “Existing Contract”). A copy of each application has also been made available to the Board. Staff’s review has included on a customer-specific basis consideration of such issues as the amount of each Allocation that would be extended, the supplemental commitments that these customers have made under their Existing Contract and are prepared to make as consideration for an extension, and the customer’s compliance status under its Existing Contract, including its compliance with supplemental commitments for jobs and capital investments.

Staff is recommending that the full Allocations of Alken Industries Inc., API Heat Transfer Inc., and XLI Manufacturing, LLC be extended as indicated in Exhibit "A".

Staff has concluded that the businesses listed on Exhibit "A", which are located throughout the State, continue to bring valuable benefits to the State. In total, the Allocations listed in Exhibit "A" are supporting the retention of 314 jobs and \$3 million in capital investments throughout New York State, and the Authority will require customers to commit to the same or substantially similar supplemental commitments for jobs and capital investments that are contained in Exhibit "A" for the Extended Term.

Staff believes that an extension of each Allocation of the customers listed on Exhibit "A" is warranted and is consistent with the statutory criteria that are used to evaluate applications for an award of RNY Power which are summarized in Exhibit "C". Each Allocation that would be extended is identified in Exhibit "A". As described above, each Allocation would be extended for a term not to exceed 7 years.

In summary, EDL § 188-a (c)(2) provides that a recommendation by the EDPAB that the Authority provide a RNY Power allocation to an eligible applicant shall include: (1) the amount of the RNY Power allocation the Board is recommending should be awarded to such eligible applicant and an effective term of the allocation which shall not exceed 7 years; (2) provisions for effective periodic audits of the recipient of an allocation for the purpose of determining contract and program compliance, and for the partial or complete withdrawal of an allocation if the recipient fails to maintain commitments, relating to such things as employment levels, power utilization, capital investments, and/or energy efficiency measures; (3) requirements for an agreement by the recipient of an allocation undertake at its own expense an energy audit of its facilities at which the allocation is consumed modified by the authority on a showing of good cause by the recipient, and that the recipient provide the Authority with a copy of any such audit or a report describing the results of such audit; and (4) a requirement for an agreement by the recipient of an allocation to make its facilities available at reasonable times and intervals for energy audits and related assessments that the authority desires to perform. In addition, the Board's recommendation shall require that if the actual metered load at the facility where the allocation is utilized is less than the allocation, such allocation will be reduced accordingly.

If EDPAB recommends the extension of the Allocations and the NYPA Trustees accept such recommendations, the sale of the Extended Allocations would be governed by an Authority contract form that was approved by the Authority's Trustees on March 26, 2019. Consistent with EDL § 188-a (c)(2) discussed above, the contract form contains provisions addressing such matters as effective periodic audits of the customer for the purpose of determining contract and program compliance, including supplemental commitments for jobs, capital investment and power utilization, and the partial or complete withdrawal of an RNY Power if the recipient fails to maintain mutually agreed upon commitments relating to among other things the aforementioned supplemental commitments. In addition, the contract will require that the customer perform an energy efficiency audit at its facility and provide access to the facility at the Authority's request.

2. Modifications Relating to Previously-Extended Allocations

The Board is also asked to recommend that the Trustees approve modifications related to RNY Power allocations previously extended by the Authority for the customers listed in Exhibit "B" for the reasons described in Exhibit "B". The following is a summary of the circumstances pertaining to each customer that underlie the proposed modifications.

- The extension application of Kaleida Health incorrectly reported the company's proposed capital investment commitment. Staff is requesting a modification of the capital investment commitment for this company from \$94,529,167 to \$75,000,000 in order to state the correct investment commitment.
- Homogeneous Metals, Inc. was previously approved for an Extended Allocation. Due to a processing error related to a previously-approved expansion allocation to the company, the

amount of the allocation approved was 340 kW but should have been 1,150 kW. Accordingly, staff is recommending that amount of the company's extended allocation be revised to 1,150 kW.

Staff believes that the modifications listed on Exhibit "B" are appropriate and/or otherwise consistent with the statutory criteria that are used to evaluate applications for an award of RNY Power, which are listed in Exhibit "C". For these reasons, staff recommends that the Trustees approve the modifications listed on Exhibit "B".

RECOMMENDATION

For the reasons stated above, staff recommends that EDPAB:

- (1) Recommend to the NYPA Trustees that each of the existing 3 Allocations of RNY Power awarded to the businesses listed in Exhibit "A" be extended for a term of 7 years as described above, to commence on the expiration of such Allocation, or at the Authority's discretion on a date to be agreed upon by the parties for a term not to exceed 7 years.
- (2) Recommend to the NYPA Trustees that, in addition to any other terms and conditions that the Authority determines in its discretion to be appropriate for the sale of the Extended Allocations, such terms and conditions include:
 - (d) provisions for effective periodic audits of the customer whose Allocation is extended for the purpose of determining contract and program compliance, and for the partial or complete withdrawal of an Extended Allocation if the business fails to maintain mutually agreed upon commitments, including those relating to employment levels, capital investments, power usage and energy efficiency measures;
 - (e) a requirement that the customer whose Allocation is extended undertake at its own expense energy audit of its facilities at which the Extended Allocation is consumed at least once during the term of the allocation absence good cause, and provide the Authority with a copy of any such audit or, at the Authority's option, a report describing the results of such audit, and provide documentation requested by the authority relating to the implementation of any efficiency measures at the facilities; and
 - (f) an agreement by the customer whose Allocation is extended to make its facilities available for energy audits and related assessments that the authority desires to perform, if any, and provide information requested by the Authority or its designee in surveys, questionnaires and other information requests relating to energy efficiency and energy-related projects, programs and services.
- (3) Recommend that the NYPA Trustees approve the modifications/adjustments to the previously extended allocations and/or supplemental commitments for the businesses listed in Exhibit "B" for the reasons discussed above.

Chairman Nicandri asked Keith Hayes, Senior Vice President of Clean Energy Solutions to present the Recharge New York Power Allocation Extensions item to the Board.

Mr. Hayes said staff is requesting that EDPAB recommend that the Authority's Trustees approve contract extensions for 3 allocations of Recharge New York power to existing customers and to recommend that the trustees approve modifications to the supplemental commitments of

previously awarded RNY extension allocations. All applications were submitted thru the State's Consolidated Funding Application (CFA) system. An extension component was added to the ReCharge New York application to allow existing customers to apply through the CFA for contract renewals.

As with new applicants, the extension applications were evaluated on a competitive basis in consideration of the 12 criteria in the RNY legislation.

Upon motion made by Member Dennis Trainor and seconded by Member Andrew Silver, the Recharge New York Power Allocation Extensions, as recommended by staff, were approved by the Board.

The following resolution was adopted, as amended by members of the Board present.

RESOLVED, That the Economic Development Power Allocation Board ("Board") approved that the Board of Trustees ("Trustees") of the Power Authority of the State of New York ("Authority") extend each of the existing 3 allocations of Recharge New York ("RNY") Power ("Allocation" or collectively "Allocations") awarded to the businesses listed in Exhibit "A" in the manner described in the accompanying memorandum of the Senior Vice President, Clean Energy Solutions (the "Memorandum") for a term of 7 years, to commence (1) on the expiration of each such Allocation, or (2) at the Authority's discretion on a date to be agreed upon by the Authority and the customer, for a term not to exceed 7 years; and be it further

RESOLVED, That the Board further approved that in addition to any other terms and conditions that the Authority determines in its discretion to be appropriate for the sale of the Allocations as extended ("Extended Allocations"), such terms and conditions include:

- (1) provisions for effective periodic audits of the customer whose Allocation is extended for the purpose of determining contract and RNY Power program compliance, and for the partial or complete withdrawal of an Extended Allocation if the customer fails to maintain mutually agreed upon commitments, including specifically commitments**

relating to, among other things, employment levels, power utilization, capital investments, and/or energy efficiency measures;

- (2) a requirement that the customer whose Allocation is extended (a) undertake at its own expense an energy audit of its facilities at which the Extended Allocation would be consumed at least once during the term of the Extended Allocation absence good cause as determined by the Authority, and (b) provide the Authority with a copy of any such audit or, at the Authority's option, a report describing the results of such audit, and provide documentation requested by the authority relating to the implementation of any efficiency measures at the facilities; and
- (3) an agreement by the customer whose Allocation is extended to make its facilities available for audits and related assessments that the authority desires to perform, if any, and provide information requested by the authority or its designee in surveys, questionnaires and other information requests relating to energy efficiency and energy-related projects, programs and services; and be it further

RESOLVED, That the Board further approved that the Trustees approve the modifications/adjustments to the allocations and/or supplemental commitments for jobs and capital investments for the businesses listed in Exhibit "B" to the attached Memorandum for the reasons indicated in the Memorandum and Exhibit "B".

Economic Development Power Allocation Board
 Extension Recommendations - RNY Power Allocations for Retention Purposes (Large Businesses, Small Business, and/or NFP Corporations)

Exhibit "A"
 December 9, 2019

Retention-Based Allocations

Line	Company	City	County	Economic Development Region	IOU	Description	Current kW Amount	Recommended kW Amount	Job Commitments	Capital Investment Commitment (\$)	Contract Term (years)
1	Alken Industries Inc.	Ronkonkoma	Suffolk	Long Island	LIPA	Manufacturer of aircraft components	80	80	45	\$500,000	7
2	API Heat Transfer Inc.	Buffalo	Erie	Western New York	NGRID	Manufacturer of heat exchangers	140	140	220	\$1,000,000	7
3	XLI Manufacturing, LLC	Rochester	Monroe	Finger Lakes	RGE	Manufacturer of machine components	100	100	49	\$1,500,000	7

Totals

320	320	314	\$3,000,000
-----	-----	-----	-------------

Economic Development Power Allocation Board

Modifications to Extension Recommendations - RNY Power Allocations for Retention Purposes (Large Businesses, Small Business, and/or NFP Corporations)

Exhibit "B"

December 9, 2019

Retention-Based Allocations

Line	Company	City	County	Economic Development Region	IOU	Description	Recommended kW Amount	Final Job Commitments	Final Capital Investment Commitment (\$)	Contract Term (years)
1	Kaleida Health	Buffalo, North Tonawanda, & Williamsville	Erie & Niagara	Western New York	NGRID	Hospitals & healthcare centers	3,636	5,358 ⁽²⁾	\$75,000,000 ⁽¹⁾⁽²⁾	7
2	Homogeneous Metals, Inc.	Clayville	Oneida	Mohawk Valley	NGRID	Manufacturer of superalloy powder	1,150 ⁽¹⁾	248	\$20,000,000	7

(1) Represents modified/corrected amount.

(2) Commitments will apply to multiple facilities/addresses. The change will be implemented in customer's power contract.

EXHIBIT C
(Statutory Criteria – RNY Power Program)

- the significance of the cost of electricity to the applicant's overall cost of doing business, and the impact that a Recharge New York power allocation will have on the applicant's operating costs;
- the extent to which a Recharge New York power allocation will result in new capital investment in the state by the applicant;
- the extent to which a Recharge New York power allocation is consistent with any regional economic development council strategies and priorities;
- the type and cost of buildings, equipment and facilities to be constructed, enlarged or installed if the applicant were to receive an allocation;
- the applicant's payroll, salaries, benefits and number of jobs at the facility for which a Recharge New York power allocation is requested;
- the number of jobs that will be created or retained within the state in relation to the requested Recharge New York power allocation, and the extent to which the applicant will agree to commit to creating or retaining such jobs as a condition to receiving a Recharge New York power allocation;
- whether the applicant, due to the cost of electricity, is at risk of closing or curtailing facilities or operations in the state, relocating facilities or operations out of the state, or losing a significant number of jobs in the state, in the absence of a Recharge New York power allocation;
- the significance of the applicant's facility that would receive the Recharge New York power allocation to the economy of the area in which such facility is located;
- the extent to which the applicant has invested in energy efficiency measures, will agree to participate in or perform energy audits of its facilities, will agree to participate in energy efficiency programs of the authority, or will commit to implement or otherwise make tangible investments in energy efficiency measures as a condition to receiving a Recharge New York power allocation;
- whether the applicant receives a hydroelectric power allocation or benefits supported by the sale of hydroelectric power under another program administered in whole or in part by the New York Power Authority;
- the extent to which a Recharge New York power allocation will result in an advantage for an applicant in relation to the applicant's competitors within the state; and
- in addition to the foregoing criteria, in the case of a not-for-profit corporation, whether the applicant provides critical services or substantial benefits to the local community in which the facility for which the Recharge New York power allocation is requested is located.

6. Transfer of RNY Power Program Allocations

SUMMARY

The Economic Development Power Allocation Board (“Board”) is requested to approve the transfer of the Recharge New York (“RNY”) Power allocations listed below, subject to the conditions discussed in this memorandum:

1. Transfer of a 136 kilowatt (“kW”) RNY Power allocation awarded to Comtech Telecommunications Corp. (“Comtech”) for use at 105 Baylis Road, Melville, New York, to Comtech PST Corp. (“Comtech PST”) in order to address organizational changes.
2. Transfer of a 196 kW RNY Power allocation awarded to Silicon Carbide Products, Inc. for use at its facilities located at 361 Daniel Zenker Drive, Horseheads, New York to Silicon Carbide Products, Inc. (“SCP”) in order to address organization changes.

The Board has previously approved transfers of RNY Power allocations in similar circumstances. If the Board approves the requested transfers, the Trustees of the New York Power Authority (“NYPA” or “Authority”) will also be requested to approve the transfers.

DISCUSSION

The following discussion describes the facts relating to the recommended transfers.

1) Comtech Telecommunications Corp.

Comtech designs, develops, and produces cutting edge advanced communications products and systems for a world-wide customer base that includes commercial entities, governmental entities and the military. The company presently has a pending 136 kW RNY Power allocation. When applying for the allocation, the company listed two separate facilities, including a manufacturing facility located at 105 Baylis Road, Melville, New York (“Baylis Road Facility”), as facilities that potentially would use the allocation.

As it turns out, the allocation is tied to jobs at the Baylis Road Facility, and that facility is operated by Comtech’s wholly-owned subsidiary, Comtech PST. Therefore, both Comtech and Comtech PST request that the pending 136 kW RNY Power allocation be transferred to Comtech PST for use at the Baylis Road Facility. Comtech PST will honor all commitments including employment, power utilization, and capital investment commitments related to the 136 kW RNY Power allocation.

2) Silicon Carbide Products, Inc.

Silicon Carbide Products, Inc. has a 196 kW RNY Power allocation for use at its facilities in Horseheads, New York. The company manufactures custom silicon carbide ceramic wear and corrosion components for pollution control and other components that improve equipment life. Management bought the company as SCP Acquisition Company, Inc., and then changed the name of the company to SCP.

Both companies request that the 196 kW RNY Power allocation be transferred to SCP (the successor entity). The change in ownership will not result in changes to operations at the facility and SCP has indicated that it will honor all terms and commitments, including employment, power utilization, and capital investment commitments made by Silicon Carbide Products, Inc. under its RNY Power sales agreement with the Authority.

RECOMMENDATION

Staff recommends that the Board approve the transfers discussed above, subject to the following conditions: (1) approval of the transfer of each RNY Power allocation by NYPA; (2) there be no material reductions in the base employment levels or capital investment commitments associated with the allocations that would be transferred; and (3) the transfers are addressed in contract documents containing such terms and conditions determined by the Authority to be appropriate to effectuate each transfer.

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

Chair Nicandri invited Mr. Keith Hayes, Senior Vice President of Clean Energy Solutions to present the Transfer of Recharge New York Power Program Allocations to the Board.

Mr. Hayes said staff is requesting that EDPAB recommend that the Authority's Trustees to approve the transfer of 2 Recharge New York Power Program Allocations to Comptech Telecommunications Corp. and Silicon Carbide Products, Inc. for the reasons stated above.

Upon motion made by Member Dennis Trainor and seconded by Member Andrew Silver, the Transfer of RNY Power Program Allocations, as recommended by staff, was approved by the Board.

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

RESOLVED, That the transfer of the 136 kilowatt ("kW") Recharge New York ("RNY") Power allocation has been awarded to Comtech Telecommunications Corp., for use at its facility at 105 Baylis Road, Melville, New York, to Comtech PST Corp. for use at the same facility, as described in the foregoing memorandum ("Memorandum") be, and hereby is, approved subject to the following conditions: (1) approval of the transfer by the New York Power Authority ("NYPA"); (2) there be no material reduction in the base employment level or capital investment commitment due to the transfer as provided for above; and (3) the transfer is addressed in contract documents containing such terms and conditions determined by the NYPA to be appropriate to effectuate the transfer; and be it further

RESOLVED, That the transfer of the 196 kW RNY Power allocation has been awarded to Silicon Carbide Products, Inc. for use at its facility at 361 Daniel Zenker Drive, Horseheads, New York, a different business entity operating the facility under an identical name as the previous owner, Silicon Carbide Products, Inc. for use at the same facility, as described in the foregoing Memorandum be, and hereby is, approved subject to the following conditions: (1) approval of the transfer by NYPA; (2) there be no material reduction in the base employment level or capital investment commitment due to the transfer as provided for above; and (3) the transfer is addressed in contract documents containing such terms and conditions determined by the Authority to be appropriate to effectuate the transfer.

Other Business

No other business to report.

7. **Next Meeting**

Chair Nicandri said that the next meeting of the Board would be held on Monday, January 27, 2020 at 10:00 a.m. via videoconference.

Closing

Upon motion made by Member Dennis Trainor and seconded by Member Andrew Silver, the meeting was adjourned.