



**NY Power  
Authority**

**Canal  
Corporation**

**MINUTES OF THE JOINT SPECIAL MEETING  
OF THE  
POWER AUTHORITY OF THE STATE OF NEW YORK AND  
NEW YORK STATE CANAL CORPORATION**

**April 29, 2021**

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Minutes of the Joint Special Meeting of the New York Power Authority's Trustees and Canal Corporation's Board of Directors held via video conference at approximately 2:00 p.m.

**Members of the Board present were:**

John R. Koelmel, Chairman  
Eugene L. Nicandri, Vice Chairman  
Anthony J. Picente, Jr.  
Tracy McKibben  
Michael A.L. Balboni  
Dennis T. Trainor

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Gil Quiniones	President and Chief Executive Officer
Justin Driscoll	Executive Vice President and General Counsel
Adam Barsky	Executive Vice President and Chief Financial Officer
Joseph Kessler	Executive Vice President and Chief Operating Officer
Kristine Pizzo	Executive Vice President and Chief Human Resource & Administrative Officer
Sarah Salati	Executive Vice President and Chief Commercial Officer
Daniella Piper	Regional Manager and CTO
Yves Noel	Senior Vice President and Chief Strategy Officer
Angela Gonzalez	Senior Vice President – Internal Audit
Robert Piascik	Senior Vice President – Chief Information & Technology Officer
Karen Delince	Vice President and Corporate Secretary
James Levine	Assistant General Counsel – Finance & Bonds
Javier Bucobo	Principal Attorney II – Contracts, Licensing & Environmental
Thakur Sundeep	Controller
Carley Hume	Deputy Chief of Staff – President's Office
Mary Cahill	Manager – Executive Office
Christopher Vitale	Financial Performance & Reporting Manager
Lorna Johnson	Senior Associate Corporate Secretary
Sheila Quatrocci	Associate Corporate Secretary
Michele Stockwell	Project Coordinator – Executive Office

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Chairman Koelmel presided over the meeting. Corporate Secretary Delince kept the Minutes.

**Introduction**

*Chairman Koelmel welcomed the Trustees/Directors and NYPA and Canal staff members who were present at this special meeting for an interim update on some important strategic investments and initiatives that the members continue to evaluate. 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 Authority's Bylaws, Article III, Section 3.*

1. **Adoption of the April 29, 2021 Proposed Meeting Agenda**

On motion made by Trustee Balboni and seconded by Trustee Trainor, the members adopted the meeting Agenda.

2. **Motion to Conduct an Executive Session**

***“Mr. Chairman, I move that the NYPA and Canal Boards conduct an executive session to discuss the financial and credit history of a particular corporation, pursuant to §105 of the Public Officers Law.”*** On motion made by Trustee Trainor and seconded by Trustee Balboni, the members held an executive session.

3. **Motion to Resume Meeting in Open Session**

***“Mr. Chairman, I move to resume the meeting in Open Session.”*** On motion made by Vice Chair Nicandri and seconded by Trustee Trainor, the meeting resumed in Open Session.

Chairman Koelmel said that no votes were taken during the Executive Session.

**4. DISCUSSION AGENDA:**

**a. Chief Financial Officer's Report**

Mr. Adam Barsky, Executive Vice President and Chief Financial Officer, provided an overview of the Authority's financial performance for the first quarter and forecast for the full year, 2021 (Exhibit "4d-A").

**Year-to-Date Actuals through March 31, 2021**

**Net Income**

The Authority has a Net Income of approximately \$3.6M; \$13.6M against the budget of \$18M with a shortfall of \$4.4M. This is mostly attributed to timing difference in terms of allocations to capital, which is based on the velocity of capital spend, and is expected to get closer to the budget between now and the end of the year.

Revenues are slightly below budget based on a shortfall in the Generation Margin. This is attributable to less hydro flow, creating less generation at the Authority's hydro plants, and is, to some extent, offset by lower-than-expected expenses. In addition, there are some non-operating incoming expenses that is coming in less than the forecast because of mark-to-market adjustments on the Authority's investments, which are non-cash or expenses that will have no material impacts on the Authority's financials by the end of the year.

**Full-Year Forecast**

The Authority is still in line with its \$40M Net Income targets, although slightly below. This is due mainly to non-cash non-operating interest expense, and higher than expected depreciation. Therefore, the cash generating part of the Authority's business is intact and in line with its full-year expectations and plans.

**5. Next Meeting**

The joint regular meeting of the New York Power Authority's Board of Trustees and the Canal Corporation's Board of Directors will be held on May 25, 2021, unless otherwise designated by the Chairman with the concurrence of the Trustees.



**Closing**

On motion made by Trustee Trainor and seconded by Trustee McKibben, the meeting was adjourned at approximately 3:41 p.m.

*Karen Delince*  
Karen Delince  
Corporate Secretary

POWER AUTHORITY OF THE STATE OF NEW YORK  
AND  
NEW YORK STATE CANAL CORPORATION

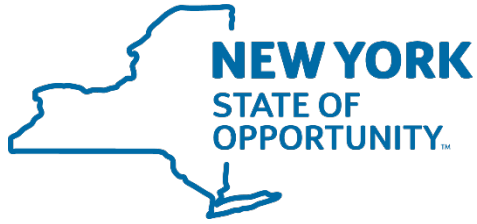
# **EXHIBITS**

**For**

**April 29, 2021**

**Special Joint**

**Meeting Minutes**



**NY Power  
Authority**

**Canal  
Corporation**

# **Chief Financial Officer Report**

**Adam Barsky**

**EVP & Chief Financial Officer**

**April 29, 2021**

# YEAR-TO-DATE ACTUALS THROUGH MARCH 31<sup>st</sup>

## YTD ACTUALS (JANUARY-MARCH 2021)

In \$ Thousands	2021 Budget (\$)	2021 Current (\$)	Variance (\$)	
<b>Net Operating Income</b>				
Operating Revenue				
Customer Revenue	\$434,891	\$414,497	(\$20,394)	Margins - Generation (\$8,429)  Margins - Transmission \$2,404  Margins - Non Utility \$103
Market-Based Power Sales	118,441	113,390	(5,050)	
Non Utility Revenue	5,439	7,135	1,696	
Ancillary Service Revenue	7,241	9,284	2,043	
NTAC and Other	63,379	65,790	2,411	
<b>Operating Revenue Total</b>	<b>629,391</b>	<b>610,097</b>	<b>(19,294)</b>	
Operating Expense				
Purchase Power	(168,836)	(145,116)	23,719	Operating Expenses \$4,231
Ancillary Service Expense	(15,445)	(13,487)	1,957	
Fuel Consumed	(41,772)	(42,457)	(684)	
Wheeling	(132,196)	(143,816)	(11,621)	
Operations & Maintenance	(141,703)	(132,097)	9,606	
Other Expense	(32,702)	(32,210)	492	
Allocation to Capital	14,546	8,680	(5,866)	
<b>Operating Expense Total</b>	<b>(518,107)</b>	<b>(500,504)</b>	<b>17,603</b>	
<b>EBIDA Total</b>	<b>111,284</b>	<b>109,592</b>	<b>(1,692)</b>	<b>(1,692)</b>
<i>EBIDA NYPA</i>	<i>131,495</i>	<i>128,393</i>	<i>(3,102)</i>	
<i>EBIDA Canals</i>	<i>(20,211)</i>	<i>(18,801)</i>	<i>1,410</i>	
<b>Non Operating</b>				
Interest and Other Expenses				
Interest & Other Expenses	(33,687)	(31,962)	1,725	Non-Operating Net (\$2,758)
Investment and Other Income	5,109	3,140	(1,969)	
Mark to Market Adjustments	0	(1,196)	(1,196)	
Depreciation	(64,593)	(65,912)	(1,318)	
<b>Interest and Other Expenses Total</b>	<b>(93,171)</b>	<b>(95,929)</b>	<b>(2,758)</b>	
<b>NET INCOME</b>	<b>\$18,113</b>	<b>\$13,663</b>	<b>(\$4,450)</b>	<b>(\$4,450)</b>

EBIDA: Earnings Before Interest Depreciation & Amortization

# FULL-YEAR FORECAST

## YEAR END PROJECTION (JANUARY - DECEMBER 2021)

In \$ Thousands	2021 Budget (\$)	2021 Current (\$)	Variance (\$)	
<b>Net Operating Income</b>				Current vs Budget
Operating Revenue				
Customer Revenue	\$1,817,582	\$1,752,422	(\$65,161)	
Market-Based Power Sales	430,499	456,247	25,748	
Non Utility Revenue	27,375	27,597	222	
Ancillary Service Revenue	27,662	31,682	4,020	
NTAC and Other	237,488	242,907	5,419	
<b>Operating Revenue Total</b>	<b>2,540,607</b>	<b>2,510,856</b>	<b>(29,752)</b>	
Operating Expense				
Purchase Power	(629,343)	(589,460)	39,883	
Ancillary Service Expense	(62,475)	(59,281)	3,194	
Fuel Consumed	(119,206)	(136,842)	(17,636)	
Wheeling	(642,170)	(654,269)	(12,099)	
Operations & Maintenance	(607,911)	(617,065)	(9,154)	
Other Expense	(129,657)	(103,488)	26,169	
Covid-19 Expense*	0	252	252	
Allocation to Capital	59,143	59,143	0	
<b>Operating Expense Total</b>	<b>(2,131,619)</b>	<b>(2,101,011)</b>	<b>30,608</b>	
<b>EBIDA Total</b>	<b>408,989</b>	<b>409,845</b>	<b>856</b>	<b>856</b>
EBIDA NYPA	495,601	502,189	6,588	
EBIDA Canals	(86,613)	(92,344)	(5,732)	
<b>Non Operating</b>				
Interest and Other Expenses				
Interest & Other Expenses	(129,262)	(124,275)	4,987	
Investment and Other Income	19,626	18,664	(962)	
Mark to Market Adjustments	0	(2,320)	(2,320)	
Depreciation	(258,373)	(261,942)	(3,568)	
<b>Interest and Other Expenses Total</b>	<b>(368,009)</b>	<b>(369,872)</b>	<b>(1,863)</b>	
<b>NET INCOME</b>	<b>\$40,980</b>	<b>\$39,973</b>	<b>(\$1,007)</b>	<b>(\$1,007)</b>
	\$30,630	\$49,315		
	Low Case	Expected	High Case	

Margins - Generation\*\* (\$22,337)

Margins - Transmission 5,705

Margins - Non Utility 222

\*\* Includes Merchant Gross Margin Variance of (\$13,814):  
Budget @ \$272,411 vs Current @ \$258,597

Operating Expenses 17,267

Non-Operating Net (1,863)

EBIDA: Earnings Before Interest Depreciation & Amortization

\*Covid-19: Expected incremental expenses into the forecast.

Low/High Cases: Taken from Risk's Merchant Portfolio Daily Performance Summary



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