



**NEW YORK RENEWABLE ENERGY DEVELOPMENT HOLDINGS  
CORPORATION**

**FINANCE COMMITTEE MEETING  
PROPOSED AGENDA**

**September 16, 2025, at 10:15 a.m.**

**Videoconference**

**PROPOSED AGENDA**

**Members:** John R. Koelmel, Dennis Trainor, Bethaida Gonzalez, Cecily Morris,  
Lewis Warren, Jr., Laurie Wheelock, Michael Cusick, Justin Driscoll (ex officio) and  
Adam Barsky, (ex officio)

- 1. Adoption of the September 16, 2025 Proposed Meeting Agenda**
- 2. DISCUSSION AGENDA:**
  - a. New York Renewable Energy Development Holdings Corporation (NYRED)**
    - i. Recommend Authorization of an EPC Contract by Somers Solar, LLC for the Somers Solar Project and an Intercompany Loan Agreement by NYPA - Resolution (Nicholas Gonzalez)
- 3. NEXT MEETING**



**Date:** September 16, 2025

**To:** FINANCE COMMITTEE OF NEW YORK RENEWABLE ENERGY DEVELOPMENT HOLDINGS CORPORATION (“NYRED”)

**From:** PRESIDENT

**Subject:** Recommend Authorization of an EPC Contract by Somers Solar, LLC for the Somers Solar Project and an Intercompany Loan Agreement with NYPA

### SUMMARY

The Finance Committee of NYRED is requested to recommend that the NYRED Board of Directors (i) authorize, as 100% owner of Somers Solar, LLC, the execution, delivery and performance by Somers Solar, LLC of project contracts including an engineering, procurement, and construction contract with CS Energy, LLC in an aggregate amount up to \$50,000,000 to construct the Somers Solar Project, and (ii) authorize the execution, delivery and performance of an Intercompany Loan Agreement between NYRED and its parent, the Power Authority of the State of New York (the “Authority”) in an amount not to exceed \$100,000,000.

### BACKGROUND

In accordance with the Authorizations granted by the Board, the commitment to pay project costs above \$10,000,000 requires Board approval.

On February 28, 2025, NYRED executed a Membership Interest Purchase Agreement (“MIPA”) to purchase from Clean Peak, LLC, a subsidiary of CS Energy DevCo, LLC a 100% interest in Somers Solar, LLC, a project company that owns the assets related to the Somers Solar Project. The Somers Solar Project is a 20 MW solar facility located in Fort Edward, NY, expected to begin operations in early 2027 (the “Project”). The Project is “shovel ready” meaning it has secured all major permits, executed interconnection agreements, executed a NYSERDA Index REC contract, and is able to begin site preparation for construction. For this derisked Project, NYRED agreed to pay Clean Peak, LLC \$3,168,000, with \$1,168,000 paid at close and the balance being paid out after certain Project milestones are completed.

Immediately after the execution of the MIPA, Somers Solar, LLC executed a Limited Notice to Proceed (“LNTP”) for \$350,000 to complete tree felling and geotech surveys to keep the Project on schedule. The LNTP was executed with CS Energy, LLC, another entity in the CS Energy family that provides engineering, procurement, and construction services (“EPC”). In the months since the purchase, a second LNTP was executed for 60% engineering design to maintain the Project’s schedule.

The MIPA also provided for a negotiation period for CS Energy, LLC and Somers Solar, LLC to execute an EPC contract. Staff are working through reviewing and negotiating the EPC

contract and expect to have a contract ready for approval and execution by Somers Solar, LLC towards the end of September.

NYRED has also been exploring options to enhance liquidity and fund projects without needing equity releases from the Authority's General Bond Resolution, which requires NYPA Trustee approval. NYPA has agreed to provide loan proceeds pursuant to an Intercompany Loan Agreement between the Authority and NYRED (the "Intercompany Loan Agreement") that benefits both entities and facilitates the abilities of the Authority under the expanded authority.

Staff recommends that the Authority issue its Commercial Paper Notes, Series 4 ("CP Notes") in the principal amount not to exceed \$100m for the purpose of financing renewable energy generating projects, including the Somers Solar Project, undertaken by NYRED or a subsidiary thereof. By providing this financing as a loan of proceeds of the CP Notes to NYRED (the "Intercompany Loan") NYRED can facilitate the development of projects between Board meetings to ensure NYRED has ample access to cash.

## DISCUSSION

NYRED, as the 100% owner of Somers Solar, LLC, will provide capital to Somers Solar, LLC to construct the Project. Somers Solar, LLC is or will be the counterparty on all contracts in respect of the Project to reduce liability, risk, and exposure to NYRED and NYPA. This also allows for non-recourse project financing on the Project, minimizing balance sheet and credit impacts to NYPA and NYRED. In alignment with the vision set forth in the NYPA Renewables Strategic Plan and the one of many justifications for the creation of NYRED, this structure maximizes the renewable energy buildout by NYPA and its affiliates. Somers Solar, LLC will continue to take actions to construct and operate the Project and report back to NYRED.

Utilizing the Intercompany Loan will allow NYRED's equity to be applied to other projects and facilitate a larger renewable buildout. This financing structure is consistent with our goal of shielding the Authority from liability for the acts of its subsidiary entities.

## FISCAL INFORMATION

NYRED was provided with \$100m in equity from NYPA at the end of 2024 to fund renewable energy project development. Capital costs to fund renewable energy projects were included in the Approved NYPA 2025 – 2028 Financial Plan, which included \$700m for NYRED's renewable energy efforts. The Project is expected to meet Domestic Content Requirements, as defined by the IRS, and receive a 40% Investment Tax Credit that will be received after the Project reaches commercial operation.

As the Project moves closer to commercial operation, the team will look to secure non-recourse project term financing to reduce NYRED's overall equity commitment. It is expected the Project cash flows could support debt levels of 50% or greater. The debt raised will be used to return equity to NYRED and/or pay back the intercompany loan facility, which will allow the funding of additional renewable energy projects in the NYPA Renewables Strategic Plan. As

required by the Public Authorities Law, NYRED will, at all times, maintain a majority ownership in Somers Solar, LLC.

The Intercompany Loan is fiscally beneficial to the Authority as it will be able to recoup its cost of borrowing funds under the CP Notes program, with a 50 basis points spread. This structure will also benefit NYRED, which will be able to incur debt at the Authority's cost of funds, lower than NYRED would be able to access in private debt markets and allow it to more rapidly deploy capital without extensive conditions precedents typically needed for a construction loan.

### RECOMMENDATION

The Chief Financial Officer of NYRED has requested the Finance Committee of NYRED to recommend that the NYRED Board of Directors (i) authorize, as 100% owner of Somers Solar, LLC, the execution, delivery and performance by Somers Solar, LLC of project contracts including an engineering, procurement, and construction contract with CS Energy, LLC in an aggregate amount up to \$50,000,000 to construct the Somers Solar Project, and (ii) authorize the execution, delivery and performance of an Intercompany Loan Agreement between NYRED and its parent, the Authority, in an amount not to exceed \$100,000,000.

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

Justin E. Driscoll

President of NYRED

## **RESOLUTION**

RESOLVED, that the Finance Committee of New York Renewable Energy Development Holdings Corporation (“NYRED”) hereby recommends that the NYRED Board of Directors (i) authorize, as 100% owner of Somers Solar, LLC, the execution, delivery and performance by Somers Solar, LLC of project contracts including an engineering, procurement, and construction contract with CS Energy, LLC in an aggregate amount up to \$50,000,000 to construct the Somers Solar Project, and (ii) authorize the execution, delivery and performance by NYRED of an Intercompany Loan Agreement with its parent, the Power Authority of the State of New York, in an amount not to exceed \$100,000,000; and be it further

RESOLVED, that the Finance Committee of NYRED hereby recommends that the NYRED Board of Directors approve NYRED’s use of Capital Funds, which may include proceeds of debt issuances, to finance the costs of the Somers Solar Project; and be it further

RESOLVED, that the Finance Committee of NYRED hereby recommends that the NYRED Board declare in accordance with Treasury Regulation Section 1.150-2, NYRED’s official intent to finance as follows: NYRED intends to reimburse to the maximum extent permitted by law with the proceeds of tax-exempt obligations to be issued by NYRED, all expenditures made and which may be made in accordance with the Project described in the foregoing report of the President; and be it further

RESOLVED, that the Finance Committee of NYRED hereby recommends that the NYRED Chair, the President, and all other officers of NYRED be authorized on behalf of NYRED to do any and all things, take any and all actions and execute and deliver any and all agreements, certificates and other documents to effectuate the foregoing resolution.



**September 16, 2025**

**Next Meeting**

The next regular meeting of the NYRED Finance Committee is to be determined.