

***ECONOMIC DEVELOPMENT POWER
ALLOCATION BOARD***

MINUTES

***New York Power Authority
123 Main Street, 16th Floor
Executive Conference Room
White Plains, NY
June 26, 2001 – 10 A.M.***

1. Ratification of Power for Jobs Allocations to
Air Lock Plastics, Ford Motor Company,
Pall Trinity and Orion Bus Industries
2. Approval of Minutes of Meeting of April 17, 2001

APPLICATIONS FOR POWER FOR JOBS – PHASE FOUR

3. **Con Edison – Service Territory**

92nd Street YWHA
New York City - New York County

Alvin J. Bart
Brooklyn - Kings County

Kinray, Inc.
Whitestone - Queens County

Whitney Museum of American Art
New York City - New York County

4. **Long Island Power Authority – Service Territory**

JP Morgan Chase
Uniondale - Livingston County

5. **Niagara Mohawk – Service Territory**

BakeMark (Federal Bakers Supply)
Buffalo - Erie County

Chapin Watermatics
Watertown – Jefferson County

APPLICATIONS FOR POWER FOR JOBS – NEW APPLICATIONS

6. **Con Edison – Service Territory**

Blue Ridge Farms, Inc.
Brooklyn - Kings County

Citi Group
New York City - New York County

Dab-O-Matic Corporation
Mount Vernon - Westchester County

Kingsbrook Medical Center
Brooklyn - Kings County

Liz Clairborne, Inc.
New York City - New York County

New York University
New York City - New York County

NYU Medical Center
New York City - New York County

Oakdale Knitting Mills
Ridgewood - Queens County

Pace University
Briarcliff - Westchester County

San-Mar Laboratories
Elmsford - Westchester County

Star Corrugated Box Co.
Maspeth - Queens County

Stella D'Oro Biscuit Co.
Bronx - Bronx County

Streamline Plastics
Bronx - Bronx County

7. **Long Island Power Authority – Service Territory**

Augros
Ronkonkoma - Suffolk County

Bruce's Bakery
Great Neck - Nassau County

Calico Cottage
Amityville - Suffolk County

Chocolate Inn
Lynbrook - Nassau County

Graphic Image, Inc.
Melville - Suffolk County

ICO Manufacturing, Inc.
West Babylon - Suffolk County

Sleepy's Warehouse
Bethpage - Nassau County

Ullman Company
Hauppauge - Suffolk County

8. **Mohawk – Service Territory**

Aimtronics
Ogdenburg - St. Lawrence County

Bartell Machinery
Rome - Broome County

Bassett Hospital of Schoharie County
Cobleskill - Schoharie County

Bestway Enterprises
Cortland - Cortland County

Bison Products Company, Inc.
Buffalo - Erie County

Canton Potsdam Hospital
Potsdam - St. Lawrence County

Carrier Corporation
Syracuse - Onondaga County

Chapin Manufacturing
Batavia - Genesee County

Dodge-Graphic Press, Inc.
Utica - Herkimer County

ECR International
Dunkirk - Oneida County

EnviroMaster International Corp.
Rome - Broome County

Fairpoint Communication Solutions
Albany - Albany County

Fibermark (Rexam DSI)
Lowville - Lewis County

Gaylord Brothers
Liverpool - Onondaga County

Glens Falls Lehigh Cement Co.
Glens Falls - Warren County

Hudson RCI
Argyle - Washington County

Kendall Argyle
Argyle - Washington County

Metweld
Altamont - Albany County

Nathan Littauer Hospital
Groversville - Fulton County

New Monarch Machine Tool
Cortland - Cortland County

Orc Plastics
Phoenix - Oswego County

Pepsi Bottling Group
Latham - Albany County

Quandt's Food Service Distributors
Amsterdam - Montgomery County

Remarketing Services of America
Amherst - Erie County

Rensselaer Polytechnic Institute
Troy - Albany County

Reunion Industries (dba ORC Plastics 3)
Oneida - Madison County

Saulsbury Fire Equipment Co.
Preble - Cortland County

Staroba Plastic & Metal Products
Lackawanna - Schoharie County

Utica Corp.
Whitesboro - Oneida County

Ventre Packaging Co., Inc.
Syracuse - Onondaga County

9. **New York State Electric & Gas – Service Territory**

BSU, Inc.
Ithaca - Tompkins County

Candlelight Cabinetry
Lockport - Niagara County

Certain Teed
Buffalo - Erie County

Delaware Valley Hospital
Walton - Delaware County

Egli Machine
Sydney – Otsego County

Emhart Glass Mfg.
Elmira - Chemung County

TS Pink Corp.
Oneonta - Otsego County

Vibratech
Alden - Erie County

Ward Lumber Co.
Alden - Essex County

World Warehouse and Distribution
Champlain - Clinton County

10. **Rochester Gas & Electric – Service Territory**

Delphi Automotive Systems
Rochester - Monroe County

Rochester Photonics
Rochester - Monroe County

11. Job Commitment Revisions, Name Change, and Allocation
Modifications - Power For Jobs

OTHER BUSINESS

12. Informational Item - Power for Jobs - Status of Approved Applications
and Summary of Action on Applications

13. Informational Item – Economic Development Power - Status of Approved
Applications and Summary of Action on Applications

14. Next Meeting

A regular meeting of the Economic Development Power Allocation Board was held at the White Plains Office, 123 Main Street, 16th Floor, White Plains, New York, 10601.

The following Members of the Board were present:

Joseph J. Seymour – Chairman
H. Douglas Barclay
Joseph DelSindaco
James A. Duncan

Also in attendance were:

Eugene W. Zeltmann	President and Chief Operating Officer, NYPA
David E. Blabey	Executive Vice President, Secretary and General Counsel, NYPA
Louise M. Morman	Senior Vice President – Marketing & Economic Development, NYPA
James H. Yates	Vice President - Major Account Marketing and Economic Development, NYPA
Joseph J. Carline	Assistant General Counsel, NYPA
Gary Paslow	Executive Director – Policy Development, NYPA
James Pasquale	Manager – Business Power Allocations and Compliance, NYPA
John L. Murphy	Director – Public Relations, NYPA
Anthony Savino	Account Executive – Marketing & Economic Development, NYPA
Anne Wagner-Findeisen	Deputy Secretary, NYPA
Angela Graves	Assistant Secretary, NYPA
Andrew McLaughlin	Assistant Secretary - Legal, NYPA
Teresa Barrett	Law Assistant, NYPA

1. Ratification of Power for Jobs Allocations to Air Lock Plastics, Ford Motor Company, Pall Trinity and Orion Bus Industries

At Chairman Seymour's request, Mr. Yates summarized the application status of Air Lock Plastics; Ford Motor Company; and Pall Trinity which had been considered by the Board at its meeting of January 30, 2001, as well as information pertinent to Orion Bus Industries, which had been considered by the Board at its meeting of April 17, 2001. Board Member Barclay affirmatively ratified the Board's approval of aforesaid allocations.

2. **Adoption of Minutes**

The minutes of the meeting of April 17, 2001, were unanimously adopted.

3. Consolidated Edison - Service Territory

The members of the Board considered the four applications listed below for Power for Jobs. Mr. Yates explained that some 854 jobs would be impacted.

The following resolution was adopted by the Members of the Board present:

WHEREAS, the following entities in Consolidated Edison's service territory have applied for allocations of Power for Jobs service:

**92nd Street YWHA
New York City - New York County**

**Alvin J. Bart
Brooklyn - Kings County**

**Kinray, Inc.
Whitestone - Queens County**

**Whitney Museum of American Art
New York City - New York County**

NOW THEREFORE BE IT RESOLVED, That the Board hereby finds and determines that such applications meets the requirements of the Power for Jobs legislation contained in Chapter 316 of the Laws of 1997, Chapter 386 of the Laws of 1998 and Chapter 63 of the Laws of 2000; and would advance the public policy set forth in Section 189(i) of the Economic Development Law to provide effective incentives to promote economic development, maintain and develop jobs, and encourage new capital investment throughout New York State; and be it further

RESOLVED, That the Board hereby recommends to the Power Authority of the State of New York the four allocations discussed herein totaling 1,750 kW for Consolidated Edison's service territory for three years, and that the following terms be incorporated into the Power Authority's contract for Power for Jobs Service:

- **applicants to maintain a total of 854 jobs;**
- **such allocation shall be subject to the reduction of power and set forth in the Power Authority's standard form of contract for Power for Jobs Service.**

4. Long Island Power Authority - Service Territory

The members of the Board considered the application listed below for Power for Jobs. Mr. Yates explained that some 3,000 jobs would be impacted.

The following resolution was adopted by the Members of the Board present:

WHEREAS, the following entity in the Long Island Power Authority's service territory have applied for allocation of Power for Jobs service:

**JP Morgan Chase
Uniondale - Livingston County**

NOW THEREFORE BE IT RESOLVED, That the Board hereby finds and determines that such application meet the requirement of the Power for Jobs legislation contained in Chapter 316 of the Laws of 1997; and be it further

RESOLVED, That the Board hereby recommends to the Power Authority of the State of New York allocation totaling 3,700 kW for Long Island Power Authority's service territory for three years, and that the following terms be incorporated into the Power Authority's contracts for Power for Jobs Service:

- **applicant to maintain a total of 3,000 jobs;**
- **such allocation shall be subject to the reduction of power and set forth in the Power Authority's standard form of contract for Power for Jobs Service.**

5. Niagara Mohawk – Service Territory

The members of the Board considered the two applications listed below for Power for Jobs. Mr. Yates explained that some 214 jobs would be impacted.

The following resolution was adopted by the Members of the Board present:

WHEREAS, the following entities in Niagara Mohawk's service territory have applied for allocations of Power for Jobs service:

**BakeMark (Federal Bakers Supply)
Buffalo - Erie County**

**Chapin Watermatics
Watertown – Jefferson County**

NOW THEREFORE BE IT RESOLVED, That the Board hereby finds and determines that such applications meet the requirements of the Power for Jobs legislation contained in Chapter 316 of the Laws of 1997, Chapter 386 of the Laws of 1998, and Chapter 63 of the Laws of 2000; and would advance the public policy set forth in Section 189(i) of the Economic Development Law to provide effective incentives to promote economic development, maintain and develop jobs, and encourage new capital investment throughout New York State; and be it further

RESOLVED, That the Board recommends to the Power Authority of the State of New York the two allocations discussed herein totaling 560 kW for Niagara Mohawk's service territory for three years, and that the following terms be incorporated into the Power Authority's contracts for Power for Jobs Service:

- **applicants to maintain a total of 214 jobs;**
- **such allocations shall be subject to the reduction of power and set forth in the Power Authority's standard form of contract for Power for Jobs Service.**

6. Con Edison - Service Territory

The Members of the Board considered the applications for Power for Jobs (“PFJ”) for retention purposes submitted on behalf of the following applicants in the Con Edison service territory:

Blue Ridge Farms, Inc. – Originally began in NYC in 1947 as a poultry store. Today the company produces over 1,000 products at its Brooklyn facility and is looking to expand its operations and employment. Staff recommends that Blue Ridge be given a PFJ allocation.

Citi Group, Inc. – A diversified financial holding company whose business provide a broad range of financial services to consumer and corporate customers in over 100 countries and territories. The company’s activities are conducted through Global Consumer, Global Corporate and Investment Bank, Global Investment Management and Private Banking, Associates and Investment Activities. The company’s brands include, Citibank, Travelers, SalomonSmith Barney, Primerica, CitiFinancial and Diners Club.

A PFJ allocation will help to offset some of the traditionally higher operating costs associated with the real estate environment in New York City such as rents, labor costs, taxes, electricity, services, transportation, etc. As the Company continues to evaluate the competitiveness of each operating region, low cost power will have a positive effect on the final outcome of the Company’s real estate decisions.

Dab-O-Matic Corporation – Established in 1956, the company has plants in Mt. Vernon and Longwood, Florida. The company manufactures plastics products and is trying to avoid the relocation of its New York plant to Florida where the cost of power is substantially less. An allocation of Power for Jobs power will help Cab-O-Matic remain and expand in New York State.

Kingsbrook Medical Center – An 864 bed multi-specialty facility and medical center housing a full range of diagnostic and medical treatment services. KJMC has the only state approved Traumatic Brain Injury Unit in the borough of Brooklyn. The Benjamin and Francis Sperling Department of Rehabilitation treats adults and children for any condition that warrants rehab: strokes, brain disorders, amputation, trauma, burn injuries or cardiac surgery. The hallmark of the Center is its interdisciplinary approach to rehabilitation.

Kingsbrook has lost \$50 million from operations in the last two years. As of December 1999, Kingsbrook had an operation deficit of \$14 million. In order to survive, Kingsbrook has had to delay payment to vendors and borrow funds. A Power for Jobs allocation would help to relieve some of this burden.

Liz Claiborne, Inc. – Founded in 1976 by Elisabeth Claiborne Ortenberg, primary designing stylish sportswear for working women, the company expanded to men’s clothing and accessories, commanding a billion dollars a year. Liz Claiborne, Inc. brands include Claiboren, Crazy Horse, Curve and Dana Buchman. The company also holds exclusive licenses to design, produce, market and sell DKNY Jeans and DKNY Active men’s junior’s and women’s

sportswear, jeanswear and activewear in the western Hemisphere, women's sportswear under the City DKNY trademark, women's apparel products under the Kenneth Cole New York, Unlisted.com and Reaction Kenneth Cole trademarks in North America and Candie's fragrance, cosmetic and beauty products worldwide. The Company operates the Wholesale apparel, Wholesale Non-Apparel and Retail business segments.

A PFJ allocation will assist Liz Claiborne, Inc. to retain the existing 906 full time jobs and prepare the company for future growth in the volatile fashion industry.

New York University ("NYU") – Is a private, non-profit higher education corporation that is one of the largest private institutions of higher education in the United States. NYU's chief center for undergraduate and graduate study is at Washington Square in Greenwich Village.

A PFJ allocation would aid in the retention of jobs throughout NYU by easing budgetary pressures that could prompt staffing reductions and hence continue to benefit the local and regional New York City community.

NYU Medical Center ("NYU Medical") - NYU Medical Center and School of Medicine, with its corporate partners; Hospital for Joint Diseases and NYU Downtown, is collectively known as "NYU Medical" Electric costs at the medical center have risen 40% of non-salary facility operations and total utilities to almost 70% of non-salary expenses. In 1998 and 1999, electric costs had represented 20-25% of non-salary expenses. At a time of extreme downward pressure on operating revenues due to Federal and State balanced budget requirements and Managed Care cutbacks, these electric cost increases are forcing elimination of salary lines as well as cancellation and delay of important upgrades to patient care.

Despite staff cutbacks already imposed in 1999 and 2000, NYU Medical is planning for substantial employment growth in the next decade. NYU is seeking to attract philanthropic and commercial research funds to support vital medical research initiatives. Essential upgrade to the Rusk Rehabilitation Center, in-patient/surgical facilities and to the emergency intake areas at NYU Downtown will also contribute to growth in employment.

A PFJ allocation would enable NYU Medical Center to achieve some of these goals.

Oakdale Knitting Mills ("Oakdale") – Is a sweater manufacturer considering relocation of its factory to its out-of-state warehouse facility because of the high costs of electricity in New York State.

A PFJ allocation will help Oakdale retain its employment and remain in New York State.

Pace University ("Pace") – Is a comprehensive, independent, nonprofit New York based institution of higher learning. Pace has three main campuses and programs are offered through six colleges and schools. The education services provided by Pace are vital to the economic strength of New York. Pace is planning two major construction/renovation projects. A new Health and Fitness Center is planned for the Pleasantville Campus which will increase full-time

and part-time employment. In addition, Pace is planning the purchase of a building which will be renovated for use as apartments and dormitories.

A PFJ allocation will help Pace grow in New York State.

San-Mar Laboratories – Founded in 1975, San Mar has been in business continuously, expanding and meeting New York business demands, manufacturing over-the-counter pharmaceuticals, cosmetics & toiletries. The company remains today independent and privately held. With a national customer base, principle customers include CVS, Bath & Body Works, Wal-Mart, Rite-Aide, Eckerd, K-Mart and other major retailers.

A PFJ allocation will assist in retaining approximately 300 jobs. San-Mar continues to suffer a severe competitive disadvantage, primarily due to power costs. Continued loss of business will result in continued loss of jobs.

Star Corrugated Box Co. – Star Corrugated has occupied its present site since 1925. The company manufactures paper packaging and displays at its facility. Last year, shipments exceeded one billion square feet of product. Star is the last major corrugator in New York City. It is struggling to compete with other corrugators in the tri-state region. It is recommended that Star Corrugated be awarded a Power for Jobs allocation.

Stella D'Oro Biscuit Co., Inc. – Has been in business for over 70 years, as a manufacturer of baked goods, biscuits, cookies and breadsticks. Located in the Bronx, Stella D'oro has been a family owned business until 1992 when it was purchased by Nabisco, Inc. and is now a wholly owned subsidiary.

A PFJ allocation will assist Stella D'oro to become more efficient, nationally competitive, and to retain 345 full time jobs in New York City area.

Streamline Plastics – Established in 1940, Streamline Plastics Inc., has been a family owned business specializing in extruding and molding plastics for three generations. Now with three locations in the New York City area, Streamline employs up to 60 full time jobs.

A PFJ allocation would allow Streamline to continue to provide the 67 full time jobs in the Bronx area and prepare for future growth.

Following consideration of such applications, the members of the Board present voted unanimously to adopt the following resolution

WHEREAS, Blue Ridge Farms, Inc.; Citi Group; Dab-O-Matic Corporation; Kingsbrook Medical Center; Liz Clairbourne, Inc; New York University; NYU Medical Center; Oakdale Knitting Mills; Pace University; San-Mar Laboratories; Star Corrugated Box Co.; Stella D'Oro Biscuit Co.; and Streamline Plastics applied for allocation of Power for Jobs Service for job retention purposes; and

WHEREAS, an allocation of 1,000 kW would result in a ratio of 602 jobs per MW for Blue Ridge Farms, Inc.; an allocation of 5,000 kW would result in a ratio of 300 jobs per MW for Citi Group; an allocation of 175 kW would result in a ratio of 737 jobs per MW for Dab-O-Matic Corporation, an allocation of 1,200 kW would result in a ratio of 1,554 jobs per MW for Kingsbrook Medical Center; an allocation of 1,500 kW would result in a ratio of 604 jobs per MW for Liz Claiborne, Inc.; an allocation of 1,700 kW would result in a ratio of 3,605 jobs per MW for New York University; an allocation of 4,000 kW would result in a ratio of 2,000 jobs per MW for NYU Medical Center; an allocation of 100 kW would result in a ratio of 1,300 jobs per MW for Oakdale Knitting Mills, Inc.; an allocation of 1,000 kW would result in a ratio of 2,875 jobs per MW for Pace University; an allocation of 250 kW would result in a ratio of 1,324 jobs per MW for San-Mar Laboratories; an allocation of 600 kW would result in a ratio of 445 jobs per MW for Star Corrugated Box Company; an allocation of 500 kW would result in a ratio of 690 jobs per MW for Stella D'Oro Biscuit Co., Inc.; an allocation of 200 kW would result in a ratio of 335 jobs per MW for Streamline Plastics Co., Inc.;

NOW THEREFORE BE IT RESOLVED, That the Board hereby finds and determines that such applications meet the requirement of the Power for Jobs legislation contained in Chapter 316 of the Laws of 1997; and be it further

RESOLVED, That the Board hereby recommends to the Power Authority of the State of New York allocations totaling 17, 225 kW for Consolidated Edison's service territory for three years, and that the following terms be incorporated into the Power Authority's contracts for Power for Jobs Service:

- **applicant to maintain a total of 23,143 jobs;**
- **such allocations shall be subject to the reduction of power and set forth in the Power Authority's standard form of contract for Power for Jobs Service.**

7. Long Island Power Authority - Service Territory

The Members of the Board considered the application for Power for Jobs (“PFJ”) for retention purposes submitted on behalf of the following applicants in the Long Island Power Authority service territory:

Augros, Inc. – A wholly-owned subsidiary of AUGROS SA, a French company which has been in business for over 50 years. AUGROS SA has four plastic manufacturing plants in France, as well as plants in Mexico and Brazil.

A PFJ allocation will allow Augros, Inc. to retain their current employment levels and possibly increase them by twenty percent.

Bruce’s Bakery – Founded in 1970, by Bruce Zipes, the company began manufacturing high quality baked cookies, cakes and breads in Merrick, Long Island. Today, products range from Cinnamon Raisin French Toast, sliced Nova & Smoke Fish Platters, chopped and finely diced custom salads, to complete dinners and services New York City and Long Island.

A PFJ allocation will support funding investment in new equipment and expansion of the production into a new facility for future market growth.

Calico Cottage, Inc. - Manufactures and distributes fudge candy mix and related equipment primarily to retailers throughout the United States and Canada who produce and sell fudge from the mix.

A PFJ allocation will help Calico Cottage to retain over 50 full time jobs on Long Island.

Chocolate Inn – Incorporated - The Chocolate Inn (“TCI”) has been owned and operated since 1979, by George and Joyce Miller. TCI started with a facility of 1,200 square feet and has grown constantly to its present operating space of 6,000 square feet with 81 employees.

A PFJ allocation can assist TCI in retaining 81 full time employees, adding 40 new jobs and expanding to facility with the operating space of 42,000 square feet.

Graphic Image, Inc. (“GI”) - Began in the 1940’s, with only a drawing board, light table and the human eye, Bennett Glazer designed his books with an absence of style. It was his belief that style should only come from the book’s user.

The company’s philosophy for quality and style has kept its largest customer, Tiffany & Co. for many years. In the 1990’s, GI expanded their product line to include a travel journal and atlas series that has attracted the likes of J Crew and Eddie Bauer to Graphic Image’s impressive customer base.

A PFJ allocation can assist GI to continue to create opportunities for growth in their products to service an even more diverse clientele, which can lead to increased employment for the State of New York.

ICO Manufacturing, Inc. (“ICO”) – A manufacturer of wood furniture and home accessories firm, ICO has been doing business on Long Island for nearly 30 years. ICO’s customer base is specialty stores and mail order catalogs nation wide.

At present ICO is losing business to foreign competitors and consolidation of companies in the houseware industry have led to a shrinkage of their customer base. A PFJ allocation can assist in helping ICO retain 85 full time jobs for the West Babylon area, despite changing economic times.

Sleepy’s Warehouse – Founded by Harry Acker in 1957 in Brooklyn, NY, Sleepy S has grown to 220 stores in four states today. Growth since 1998 has added 50 new jobs at the Bethpage Headquarters.

A PFJ allocation provides additional funds for expansion of employment at the Bethpage facility, and more taxable income for NYS

Ullman Company, Inc. – A manufacturer and printer of plastic tableware items. Due to high operations costs, the company has considered relocating to Asheville, North Carolina where the delivered cost of electricity would be 5.1 cents/kWh.

A PFJ allocation is recommended to keep the company’s workforce in New York.

Following consideration of such application, the members of the Board present voted unanimously to adopt the following resolution.

WHEREAS, Augros, Inc.; Bruce’s Bakery, Calico Cottage; Chocolate Inn Graphic Image, Inc.; ICO Manufacturing, Inc.; Sleepy’s Warehouse; and Ullman Company, Inc. have applied for allocations of Power for Jobs Service for job retention purposes; and

WHEREAS, an allocation of 500 kW would result in a ratio of 300 jobs per MW for Augros, Inc.; an allocation of 75 kW would result in a ratio of 720 jobs per MW for Bruce’s Bakery; an allocation of 100 kW would result in a ratio of 510 jobs per MW for Calico Cottage; an allocation of 100 kW would result in a ratio of 1,210 jobs per MW for Chocolate Inn; an allocation of 75 kW would result in a ratio of 1,093 jobs per MW for Graphic Image, Inc.; an allocation of 75 kW would result in a ratio of 1,133 jobs per MW for ICO Manufacturing, Inc.; an allocation of 300 kW would result in a ratio of 1,383 jobs per MW for Sleepy’s Warehouse; and an allocation of 400 kW would result in a ratio of 318 jobs per MW for Ullman Company, Inc.;

NOW THEREFORE BE IT RESOLVED, That the Board hereby finds and determines that such applications meet the requirement of the Power for Jobs legislation contained in Chapter 316 of the Laws of 1997; and be it further

RESOLVED, That the Board hereby recommends to the Power Authority of the State of New York allocations totaling 1,625 kW for Long Island Power Authority’s service

territory for three years, and that the following terms be incorporated into the Power Authority's contracts for Power for Jobs Service:

- **applicants to maintain a total of 1,085 jobs;**
- **such allocations shall be subject to the reduction of power and set forth in the Power Authority's standard form of contract for Power for Jobs Service.**

8. Niagara Mohawk - Service Territory

The Members of the Board considered the applications for Power for Jobs (“PFJ”) for retention purposes submitted the following applicants in the Niagara Mohawk service territory.

Aimtronics, Inc. – Founded in 1973 as American Computer Assembly, they assemble and tests printed circuit boards. The company was incorporated in 1979, then changed hands several times until the late 1990’s and now operates as a totally autonomous wholly owned subsidiary of Aimglobal Technologies.

A PFJ allocation would allow Aimtronics to continue to operate while reducing production costs and maintain current employment levels.

Bartell Machinery Systems (“BMS”) – Established in 1946, BMS specializes in the manufacture of tire and wire machinery building. Their customer base is primarily out-of-state with 50% of their shipments are off shore.

A PFJ allocation will assist in increasing total employment by 20 employees within two years if the allocation is granted.

Bassett Hospital of Schoharie County (“Bassett Hospital”) – Bassett Hospital is a 40-bed general medical/surgical hospital. In addition to the customary complex of emergency, surgical, general medicine, nursing and ancillary services, it provides Outpatient Clinical, Progressive Care, and Hospice services to the pediatric through geriatric population.

A PFJ allocation will assist Bassett Hospital in retaining existing employment levels which otherwise would be threatened due to significant Medicare reimbursement threats.

Bestway Enterprises – Owned by the Ochs Family, their products include treated lumber, kiln dried lumber products and accessories.

A PFJ allocation will assist Bestway in retaining the existing 42 full-time jobs in the Cortland area.

Bison Products Company, Inc. (“Bison”) – A family owned business established in 1931, Bison has a long-standing tradition of the finest quality Italian Sausage Products that require no refrigeration. State of the art production and packaging techniques enable the Company to produce a variety of shelf stable products. Bison currently serves Western New York and the surrounding region.

A PFJ allocation can help Bison become more competitive and achieve a higher penetration in market coverage. This can further lead to a stabilizing of the 44 jobs Bison provides for the State of New York.

Canton-Potsdam Hospital (“CPH”) – Is a 94 –bed acute care hospital serving about 20,000 households in St. Lawrence County, and areas beyond for specialty services. Since 1925,

CPH provides quality health care via emergency services, inpatient care, ambulatory care, primary care, and diagnostic and rehabilitation services.

A PFJ allocation will assist CPH in offsetting operating expenses, which will directly result in retention of jobs.

Carrier Corporation (“Carrier”) – Carrier manufactures air conditioning, Industrial refrigeration and transport refrigeration products, as well as air conditioning and refrigeration and transport refrigeration products, as well as air conditioning and refrigeration compressors at its Syracuse operations. Since its founding in 1915, Carrier has become an \$8 billion global company doing business in more than 170 countries.

A PFJ allocation would help Carrier’s Refrigeration Operations Division improve business stability and competitiveness by reducing energy costs and maintaining current employment levels.

Chapin Manufacturing (“Chapin”) – Founded in 1884 by R.E. Chapin who began making kerosene containers out his existing Hardware store. The demand was so great for the containers that Chapin sold is store and began manufacturing operation in Batavia, New York.

Chapin’s production line expanded to making compressed air sprayers and hand sprayers in 1903. Demand for the durable Chapin spraying equipment grew in the 1940’s with the importance of spraying for weed control and crop yields. Operations moved to its present location in 1982 to meet the growing worldwide demand.

A PFJ allocation will insure the continuation of all currently existing positions and making Chapin more competitive with out-of-state processors.

Dodge-Graphic Press Inc. (“Dodge-Graphic”) – Dodge Graphic has been in business for more than 50 years in Central New York. It is a family-owned and operated business providing printing services to many local, state and out-of-town customers.

A Power for Jobs allocation will help the company stay competitive with out-of-state printers and printers in Canada. An allocation is recommended to help the company achieve this goal.

ECR International – (“ECR”) - Founded in 1928, is a manufacturer of residential cast iron boilers. ECR was formed in 1999 as a result of a merger with Utica Companies, combining gross sales to over \$80 million. ECR is looking to purchase fabrication machinery that will handle current and future product lines and help increase employment.

A PFJ allocation is recommended to help the company achieve this goal.

EnviroMaster subsidiary of ERY International (“EMI”) – EMI is the largest ductless air conditioning manufacturer in the United States. The company competes with overseas manufacturers which enjoy substantially lower costs of operations.

A PFJ allocation will help EMI lower its operating costs.

Fairpoint Communications Solutions Corp. (“Fairpoint”) – Since 1993, acquires and operates traditional telephone companies in rural areas. To date, Fairpoint has acquired 28 companies in 17 states.

A PFJ allocation will assist Fairpoint in retaining approximately 200 full-time jobs in NYS while supporting the company’s long-term plans to increase their workforce to over 360 jobs in the Albany area.

REXAM – The Lowville plant of Rexam DSI is a producer of consumer packaging products. It uses a highly sophisticated range of coaters, embossers, slitters and rewinding equipment to manufacture high, value-added decorative covering materials for the publishing, stationary and fancy packaging industries.

A Power for Jobs allocation will enhance the plant’s competitive position with respect to its internal and external competitors. This will allow the plant to operate at full capacity and maintain current employment levels. Therefore, a Power for Jobs allocation is recommended.

Gaylord Bros. (“Gaylord”) – Manufacturing and direct marketer of Library Supplies and Information Systems, worldwide. The business was established in 1896, and was located in Syracuse, NY until 1967, and Liverpool, NY to the present. Gaylord provides libraries with software management systems, supplies and furniture; everything except books. Gaylord closed a facility in Rochester, NY and reopened in Stanford, NC in the 1960’s.

A PFJ allocation will be one of the three major factors in deciding to keep jobs in the Syracuse area versus moving them out. Current projections indicate a loss of 70 full-time equivalent jobs, for relocation to North Carolina, with a significant cost offset from local and state incentive funding.

Glens Falls Lehigh Cement Company (“Glen Falls”) – Manufactures cement, is a primary industry and is an important part of the upstate economy. It is the oldest cement plant in New York. In 1998, the plant was purchased by Dyckerhoff AG/West Germany. In 1999, the activities of Glens’ Falls and Lehigh’s Cementon and Providence operations were merged into the joint venture Glens Falls Lehigh Cement Company. The Partnership is presently working on a three year, \$25 million investment program to increase cement production and to start producing slag cement. Glens Falls has a confidential SC 11 contract with Niagara Mohawk. At a 75% load factor, the company would pay 6 cents/kWh at transmission level under the Power for Jobs program.

It is recommended that Glens Falls receive an allocation of 1,000 kW.

Hudson RCI (“Hudson”) – Founded in 1945 in Temecula, CA. Privately owned, with employees worldwide, Hudson is a full-line supplier of disposable and durable medical device products to the respiratory care and anesthesia marketplace. The Argyle site was acquired by Hudson in November 2000.

Hudson is currently reviewing relocating the business to Mexico or Malaysia vs. remaining in New York. A PFJ allocation can assist the selling of the NYS manufacturing location to corporate headquarters.

Kendall Argyle, A Division of Tyco Ltd. (“Kendall Argyle”) – In 1983, Sheridan Catheter began business as a manufacturer of surgical medical tubing devices. In 1995, the Kendall Corporation purchased Sheridan Catheter and then the Kendall Corp. was subsequently purchased by Tyco International Ltd. The company currently operates as Kendall Argyle, a division of the Kendall Company, which is a division of Tyco Healthcare.

A PFJ allocation will help with reducing the total overhead and in turn reduce the product cost. The lower product cost will help maintain current jobs and also look favorable in the eyes of their corporate headquarters towards the creation of even more new jobs at this facility.

Metweld – Manufactures a wide range of fabricated industrial equipment since 1971. Metweld’s products are used worldwide for power generation, heavy manufacturing, water treatment, petrochemical, food processing and papermaking.

A PFJ allocation will assist Metweld in retaining the existing 73 full-time jobs and allowing them to bid more competitively for customer orders in a global marketplace.

Nathan Littauer Hospital & Nursing Home (“NLH”) – Is a community hospital that provides comprehensive in-patient care and services such as surgery, intensive care, pediatric and coronary care. The facility also provides a number of outpatient services as well. NLH also has on-site extended care services for the elderly.

The current reimbursement environment that the hospital and nursing home operate under results in patient revenues that are far below operating expenses. NLH serves the population of Fulton and surrounding counties. The hospital continues to run at a loss or break-even. It is the second largest employer in the area. Additional electric cost are expected from the completion of a new Primary Care Center.

A PFJ allocation would help to offset some of these rising costs.

New Monarch Machine Tool, Inc. (“New Monarch”) – Has been in operation at its present location since 1968, specializing in the manufacture of CNC Vertical machining centers, high precision CNC turning centers, CNC lathes, traveling column and gantry-style machine centers, machine tool customizing and service. Prior to February 11, 2000, the company was owned by Genesis World Wide, Inc. under the name Monarch Machine Tool—a Division of Genesis World Wide, Inc. The Company was renamed New Monarch Machine Tool Inc., after the purchase by an investment management group.

A PFJ allocation would help in ensuring retention of current employment levels as well as planned employment growth, making New Monarch more competitive.

ORC Plastics1 (“ORC”) - Began incorporated in 1964, as Oneida Molded Plastics Corporation, manufactures molded plastic parts of original equipment for such customers as IBM and Xerox. The Phoenix plant, located on Jason Road, has manufactured injection molded plastics products since the company’s inception.

A PFJ allocation would help reduce costs for ORC’s plants which at present generate small profits. The savings would help in generating more income that may be invested in new equipment, allowing ORC to become more competitive with out-of-state plastic manufacturers.

Pepsi Bottling Group LLC – Allied Beverages - Began operations over 20 years ago, manufacturing and distributing carbonated soft drinks, purified water and fruit juices throughout Albany and the NY metropolitan area. Today, under the ownership of the Pepsi Bottling Group, this facility also ships to satellite warehouses in New York, Connecticut, and Vermont.

A PFJ allocation will effectively reduce energy costs and support job retention.

Quandt’s Food Service Distributors (“QFS”) - Began in 1918 as a local fish market in Amsterdam, NY. Over the years the company evolved into a full grocery store and began selling wholesale in conjunction with the retail market. In the early 1960’s QFS pursued the wholesale market exclusively. The business has grown to a full service foodservice distributor serving northeastern and central New York, Vermont and Massachusetts.

A PFJ allocation will help the company to maintain existing employment levels and prepare for future growth in business and employment.

Remarketing Services of America (“RSA”) – Founded in 1991, RSA of Amherst, New York, is the world’s largest non-proprietary organization providing strategic vehicle remarketing and lease maturity management programs to the automotive financial industry. Client-partners include banks, automotive manufacturers and their captive finance arms, daily rental companies, credit unions, governmental agencies, corporate fleets, and other independent funding sources. RSA develops and implements programs, supported by extensive in-house developed technology systems, specifically targeted to enhance automotive portfolio performance.

RSA is currently owned by Debis Financial Services, Inc., a division of Daimler Chrysler.

A PFJ allocation will allow RSA to become more competitive in the marketplace and aggressively price services for future prospects and increase employment.

Renssalaer Polytechnic Institute (“RPI”) – Services the Troy, NY area with education and research services in a private residential university environment.

A PFJ allocation will assist RPI in savings in electric costs with hopes to redistribute and support further education and research initiatives.

ORC Plastics³ (“ORC”) – Oneida Molded Plastics Corporation (OMPC) - Has manufactured molded plastic products since 1964. The company has traditionally sold its products as component parts of original equipment to local manufacturers such as IBM and Xerox. OMPC was acquired by Reunion Industries in 1995, then merged with Rostone Corporation in 1996 and was renamed ORC Plastics.

A PFJ allocation will reduce costs and generate more income for their NY Plants. Such profits may then be invested in new equipment that would permit ORC to become more competitive with newer, out-of-state facilities.

Saulsbury Fire Equipment Corp. (“Saulsbury”) – Originated as a family owned and operated organization founded by the late Fancher L. “Sam” Saulsbury in the late 1940’s. In 1998, Saulsbury became a wholly owned subsidiary of Federal Signal Corporation, a publically traded company. The facilities, located in Preble and Tully, NY manufactures not only a full complement of fire apparatus, but all fire related items and equipment with full service and maintenance.

A PFJ allocation will assist Saulsbury to lower manufacturing costs, which will affect their ability to retain and add jobs and remain competitive with sister companies out of state.

Staroba Plastic & Metal Products of New York, Inc. (“SPMP”) – Is a wholly owned subsidiary of Staroba Plastic and Metal Products Limited, originally of Toronto, Ontario. SPMP is a custom plastic injection molding company, manufacturing products for the automotive and building products industry since 1980.

A PFJ allocation will allow SPMP to retain current employment levels as well as help pave the way for planned expansion. Currently SPMP receives reduced electric rates as part of the Economic Development Zone in which they are located. This arrangement is due to expire 12/31/01. Without this consideration, the burden of utilities’ expense will outweigh profitability and may lead to the demise of the company.

Utica Corp. – Is a precision forging and machining facility that produces high quality fan blades and fuel nozzles for gas turbine engines. Sales revenues for 2000 were approximately \$42 million. Seventy percent of future contracts are tied to price reductions – on average 5%/year.

A PFJ would help the company continue to grow and compete in the future.

Ventre Packaging Co., Inc. (“Ventre”) – For over 60 years, Ventre has manufactured tomato based products such as pasta sauce and salsa. The company has remained in the Syracuse area since its inception.

A PFJ allocation will assist Ventre in retaining the existing 22 full-time jobs in Syracuse and create an opportunity for future employment growth.

Following consideration of such applications, the members of the Board present voted unanimously to adopt the following resolution.

WHEREAS, Aimtronics; Bartell Machinery Systems; Bassett Hospital of Schoharie County; Bestway Enterprises; Bison Products Company Inc.; Canton Potsdam Hospital; Carrier Corporation; Chapin Manufacturing; Dodge-Graphic Press, Inc.; ECR International; EnviroMaster International; Fairpoint Communications Solutions Corp.; REXAM; Gaylord Bros.; Glens Falls Lehigh Cement Company; Hudson RCI; Kendall Argyle; A Division of Tyco Ltd.; Metweld; Nathan Littauer Hospital & Nursing Home; Monarch Machine Tool, Inc.; ORC Plastics1; Pepsi Bottling Group LLC; Quandt's Food Service Distributors; Remarketing Services of America; Renssalaer Polytechnic Institute; ORC Plastics3; Saulsbury Fire Equipment Corp.; Staroba Plastic & Metal Products of NY Inc.; Utica Crop. and Ventre Packaging Co., Inc. have applied for allocations of Power for Jobs Service for job retention purposes; and

WHEREAS, an allocation of 600 kW would result in a ratio of 683 jobs per MW for Aimtronics; an allocation of 400 kW would result in a ratio of 635 jobs per MW for Bartell Machinery Systems; an allocation of 100 kW would result in a ratio of 2130 jobs per MW for Bassett Hospital of Schoharie Count; an allocation of 75 kW would result in a ratio of 720 jobs per MW for Bestway Enterprises; an allocation of 150 kW would result in a ratio of 293 jobs per MW for Bison Products Company, Inc.; an allocation of 150 kW would result in a ratio of 3,000 jobs per MW for Canton Potsdam Hospital; an allocation of 1,500 kW would result in a ratio of 632 jobs per MW for Carrier Corporation; an allocation of 500 kW would result in a ratio of 418 jobs per MW for Chapin Manufacturing; an allocation of 300 kW would result in a ratio of 333 jobs per MW for Dodge-Graphic Press Inc.; an allocation of 250 kW would result in a ratio of 524 jobs per MW for ECR International; an allocation of 100 kW would result in a ratio of 1,070 jobs per MW for EnviroMaster; an allocation of 250 kW would result in a ratio of 1,440 jobs per MW for Fairpoint Communication Solutions Corp.; an allocation of 400 kW would result in a ratio of 325 jobs per MW for REXAM; an allocation of 600 kW would result in a ratio of 547 jobs per MW for Gaylord Bros.; an allocation of 1000 kW would result in a ratio of 143 jobs per MW for Glens Falls Lehigh Cement Company; an allocation of 500 kW would result in a ratio of 542 jobs per MW for Hudson RCI; an allocation of 400 kW would result in a ratio of 695 jobs per MW for Kendall Argyle, A Division of Tyco Ltd.; an allocation of 200 kW would result in a ratio of 605 jobs per MW for Metweld; an allocation of 400 kW would result in a ratio of 1,613 jobs per MW for Nathan Littauer Hospital & Nursing Home; an allocation of 420 kW would result in a ratio of 279 jobs per MW for Monarch Machine Tool, Inc.; an allocation of 125 kW would result in a ratio of 424 jobs per MW for ORC Plastics1; an allocation of 1,200 kW would result in a ratio of 302 jobs per MW for Pepsi Bottling Group LLC; an allocation of 180 kW would result in a ratio of 689 jobs per MW for Quandt's Food Service Distributors; an allocation of 100 kW would result in a ratio of 6,350 jobs per MW for Remarketing Services of America; an allocation of 1,675 kW would result in a ratio of 1,157 jobs per MW for Renssalaer Polytechnic Institute; an allocation of 400 kW would result in a ratio of 195 jobs per MW for ORC Plastics3; an allocation of 175 kW would result in a ratio of 1,537 jobs per MW for Saulsbury Fire Equipment Corp.; an allocation of 700 kW would result in a ratio of 244 jobs per MW for Staroba Plastic & Metal Products of NY Inc.; an allocation of 1,200 kW would result in a

ratio of 329 jobs per MW for Utica Corp.; and an allocation of 74 kW would result in a ratio of 432 jobs per MW for Ventre Packaging Co., Inc.;

NOW THEREFORE BE IT RESOLVED, That the Board hereby finds and determines that such applications meet the requirement of the Power for Jobs legislation contained in Chapter 316 of the Laws of 1997; and be it further

RESOLVED, That the Board hereby recommends to the Power Authority of the State of New York allocations totaling 13,924 kW for Niagara Mohawk's service territory for three years, and that the following terms be incorporated into the Power Authority's contracts for Power for Jobs Service:

- **applicants to maintain a total of 9,173 jobs;**
- **such allocations shall be subject to the reduction of power and set forth in the Power Authority's standard form of contract for Power for Jobs Service.**

9. New York State Electric & Gas - Service Territory

The Members of the Board considered the applications for Power for Jobs (“PFJ”) for retention purposes submitted on behalf of the following applicants in the New York State Electric & Gas service territory with the exception of Board Member Duncan abstaining on the allocation to Vibratech.

BSU, Inc. – Owned by Christine Houseworth, started in 1989 by providing general business services, including electronic assembly to business and industry. Over the years the focus was narrowed to contract manufacturing and design services. Today BSU offers a broad line of “state of the art” assembly and design services to the electric industry.

A PFJ allocation will help in retaining the existing 50 full time jobs and possibly prepare for future growth. The market BSU services is very cost competitive and high energy costs makes BSU less attractive for new business.

Candelight Cabinetry, Inc. – Started with one dealer in April 1990, and now has grown to manufacture custom kitchen cabinets for 104 dealers in the Eastern United States. Products include entertainment centers and bathroom vanities, blending woodworking with modern manufacturing techniques.

A PFJ allocation can aid Candelight Cabinetry in retaining their 80 full time employees and assist in the expansion to a 100, 000 square foot facility.

Certain Teed – Is a world leading manufacturer of building materials with a major commitment to vinyl products such as siding, windows, pipe, fence railings and decks. Certain Teed has over 23 manufacturing facilities in North America, employing over 6,000 people.

A PFJ allocation would allow Certain Teed to retain 221 full time jobs and become more competitive in the industry by continuing operations in Western New York.

Delaware Valley Hospital (“DVH”) – Has suffered from the decrease in reimbursements due to expanding managed care environment and the changes resulting from the Federal Balanced Amendment. In 1998, DVH experienced its first revenue in six years. This continued in 1999, and despite severe cost savings measures, the hospital was forced to lay off staff and curtail services.

Savings from a PFJ allocation would help to offset rising operations costs and stabilize the hospitals workforce. It is recommended that DVH receive a 100kW allocation.

Egli Machine, Inc. (“Egli”) – Founded in 1946, Egli is a sub-contract manufacturer of state of the art design and building of Injection Molds, molded parts-production and CNC Machinery.

A PFJ allocation will increase molding operations by approximately 50% by creating the opportunity for Egli to add an additional 10 jobs to the existing workforce of 25 full time employees.

Emhart Glass Mfg., Inc. (“Emhart”) – Began in 1958 as Powers Manufacturing Company, founded by Whitney Powers. Emhart is currently owned by Boucher Holding AG of Niederweningen, Switzerland. Bolstered by the success of Teflon coating method for specialized glass machinery, the company grew to 14 employees and relocated to its present site of 1140 Sullivan Street in Elmira. Emhart specializes in the manufacture of glass container inspection equipment.

A PFJ allocation will enable the company to significantly lower its operating costs, making Emhart more competitive, while retaining its current employment levels and creating opportunities for growth in the workforce.

T.S. Pink Corp. – Based in Oneonta, was founded by Todd Pink, the inventor and current President, in 1993. The company was incorporated in 1996. Marketed under the name “Soap Rocks” since its inception, T.S. Pink has expanded its line of glycerin based soap products to include Palmstones TM, QuarryBars TM, and PictureBars TM with additional products to be released. T.S. Pink employs 33 full-time equivalent employees.

A PFJ allocation will aid in the reduction of the gross cost of goods. More of the net income will be used for hiring and maintaining adequate wages for employees. Additional profits will also enable continued investment and growth in the company.

Vibratech, Inc. – Designs and manufactures vibration and motion damping products for transportation and industrial applications. The company’s business is focused in two main areas, Powertrain and Rail. For the Powertrain market, Vibratech is the largest independent manufacturer of viscous dampers in the world. The Rail business is mostly directed at supplying suspension dampers and rotary and linear hydraulic shock absorbers and friction snubbers for passenger rail cars and locomotive applications. Vibratech faces new challenges in its quest to remain competitive. Two new overseas competitors will be locating new manufacturing plants in the United States. These companies will receive bonuses and economic incentives that will lower their costs and place pressures on Vibratech to remain a low-cost supplier or risk the loss of significant market share.

A PFJ allocation is recommended to help the company remain strong in Western, NY.

Ward Lumber Co., Inc. – The Ward Family began operations as a sawmill and forest product processor in 1890, and continues as a family-owned, highly integrated corporation (Inc., 1961) today. The lumber manufacturing division is composed of timberland, forestry management, sawmill, dry kilns, planning mill, over-the-road fleet and maintenance facility. Ward Lumber’s sawmill is the largest white pine sawmill in New York State. The building material division is composed of three building supply stores and a component plant.

A PFJ allocation will allow Ward to become proactive in maintaining existing

employment levels and recruit a stable skilled labor force. This will provide the base to position Ward for future growth. An Authority allocation will also assist in reducing energy costs, making Ward Lumber more competitive with Canadian sawmills.

World Warehouse & Distributions (“WWD”) – Began in 1994 as an “S” corporation with two employees providing warehousing storage and freight transportation for the manufacturing industry. WWD has grown from operating in a 2,500 square foot rented space to 232,000 square foot facility, providing jobs for 42 full-time and 56 temporary employees. Three of WWD’s five partners are active in company operations.

A PFJ allocation would assist WWD in lowering production costs and prepare for future business and employment growth.

Following consideration of such applications, the members of the Board present voted unanimously to adopt the following resolution.

WHEREAS, BSU, Inc.; Candlelight Cabinetry; Certain Teed; DelawareValley Hospital; Emhart Glass Mfg.; TS Pink Corp.; Vibrattech; Ward Lumber Co.,; and World Warehouse & Distribution have applied for allocations of Power for Jobs Service for job retention purposes; and

WHEREAS, an allocation of 100 kW would result in a ratio of 800 jobs per MW for BSU, Inc.; an allocation of 400 kW would result in a ratio of 500 jobs per MW for Candelight Cabinetry, Inc.; an allocation of 500 kW would result in a ratio of 442 jobs per MW for Certain Teed; an allocation of 100 kW would result in a ratio of 147 jobs per MW for Delaware Valley Hospital; an allocation of 25 kW would result in a ratio of 1,360 jobs per MW for Egli Machine, Inc.; an allocation of 125 kW would result in a ratio of 1,488 jobs per MW for Emhart Glass Mfg., Inc.; an allocation of 35 kW would result in a ratio of 1,143 jobs per MW for T.S. Pink Corp.; an allocation of 300 kW would result in a ratio of 337 jobs per MW for Vibrattech, Inc.; an allocation of 500 kW would result in a ratio of 178 jobs per MW for Ward Lumber Co., Inc.; and an allocation of 150 kW would result in a ratio of 1,387 jobs per MW for World Warehouse & Distribution;

NOW THEREFORE BE IT RESOLVED, That the Board hereby finds and determines that such applications meet the requirement of the Power for Jobs legislation contained in Chapter 316 of the Laws of 1997; and be it further

RESOLVED, That the Board hereby recommends to the Power Authority of the State of New York allocations totaling 2,235 kW for New York State Electric & Gas service territory for three years, and that the following terms be incorporated into the Power Authority’s contracts for Power for Jobs Service:

- **applicants to maintain a total of 1,200 jobs;**
- **such allocations shall be subject to the reduction of power and set forth in the Power Authority’s standard form of contract for Power for Jobs Service.**

10. Rochester Gas & Electric - Service Territory

The Members of the Board considered the applications for Power for Jobs (“PFJ”) for retention purposes submitted on behalf of the following applicants in the Rochester Gas & Electric service territory with the exception of Board Member Duncan abstaining on the allocation for Delphi Automotive Systems.

Delphi Automotive Systems – Delphi’s Rochester, NY manufacturing site is the former Rochester Products Division of General Motors Corporation (“GM”), created in 1939. In 1980, GM began consolidating the Rochester Products organization with other GM operations producing related components and systems. In 1995, Delphi Automotive Systems was created and was separated from GM in 1999, as an independent, publicly traded company.

Prior to World War II, production at the Rochester site was primarily automotive components. Post World War II, the plant became GM’s center of production for automotive fuel systems and emissions control components.

A PFJ allocation will assist Delphi-Rochester to become more competitive in order to sustain existing employment levels. All facets of operations are under scrutiny to aggressively reduce costs. This includes measures to reduce energy costs.

Rochester Photonics Corporation (“RPC”) – is a wholly owned subsidiary of Corning Incorporated. RPC’s charter is to develop, manufacture and market opto-electronic components and systems based on diffractive and micro-optics technology in the telecommunications and display markets. RPC, founded in 1989, reports to Corning-owned U.S. Precision Lens, Inc. (“USPL”), based in Cincinnati, Ohio. RPC’s office and manufacturing facilities currently encompass over 18,000 sq. ft. and including the necessary equipment for designing, fabricating, assembling and testing of optical components and systems.

A PFJ allocation will help RPC in expanding current operations for future market and job growth for the State of New York.

Following consideration of such applications, the members of the Board present voted unanimously to adopt the following resolution.

WHEREAS, Delphi Automotive Systems and Rochester Photonics Corporation, have applied for allocations of Power for Jobs Service for job retention purposes; and

WHEREAS, an allocation of 5,000 kW would result in a ratio of 524 jobs per MW for Delphi Automotive Systems; and an allocation of 900 kW would result in a ratio of 261 jobs per MW Rochester Photonics Corporation;

NOW THEREFORE BE IT RESOLVED, That the Board hereby finds and determines that such applications meet the requirement of the Power for Jobs legislation contained in Chapter 316 of the Laws of 1997; and be it further

RESOLVED, That the Board hereby recommends to the Power Authority of the State of New York allocations totaling 5,900 kW for Rochester Gas & Electric service territory for three years, and that the following terms be incorporated into the Power Authority's contracts for Power for Jobs Service:

- **applicants to maintain a total of 2,515 jobs;**
- **such allocations shall be subject to the reduction of power and set forth in the Power Authority's standard form of contract for Power for Jobs Service.**

**1. Job Commitment Revisions, Name Change,
and Allocation Modifications - Power For Jobs**

SUMMARY

The members of the Economic Development Power Allocation Board (“EDPAB”) are requested to approve job commitment revisions to three companies listed in Exhibit “A”, a name change, and allocation modifications to two companies detailed below.

BACKGROUND

The companies listed in Exhibit “A” had been approved for a Power for Jobs (“PFJ”) allocation by EDPAB. Their allocation was based on their commitment to retain or create jobs as indicated in the application they submitted to EDPAB. Subsequent to EDPAB approval, but before entering into contract with the Authority, the companies have requested that their job commitment be revised to more accurately reflect their existing employment levels. The revisions are mainly due to confusion in accounting for part time and seasonal employees. The job number changes are insignificant in total and do not require changes to the amount of the allocation.

At their meeting of August 26, 1998, the EDPAB members recommended approval of a 750 kW allocation to Allied Signal Laminate Systems. Subsequent to this meeting the company was acquired by Isola Laminate Systems (“Isola”), a division of Rutgers Corporation. Isola has taken ownership of all assets and liabilities for the Laminate Systems plant, located in Hoosick Falls, and have requested continued participation in the PFJ program.

In addition, the members of the Board are requested to approve a modification to the existing power allocations to International Business Machines Corporation (“IBM”) and Graphic Controls Corporation.

At their meeting of January 26, 1998, the EDPAB members originally approved allocations to two IBM facilities. A 600 kW allocation was approved for the company's 33 Maiden Lane facility and a 750 kW allocation was approved for its facility located at 590 Madison Avenue in New York City. IBM committed 368 jobs at its 33 Maiden Lane facility and 719 jobs at its 590 Madison Avenue location. It is requested that the EDPAB approve the transfer of both allocations, totaling 1,350 kW to IBM's 299 Long Meadow Road facility located in Sterling Forest. IBM will commit the same combined total number of jobs (1,087) previously committed at both New York City facilities, at its Sterling Forest location.

At their meeting of January 19, 2000, the EDPAB approved a 600 kW allocation to Graphic Controls, located at 189 Van Rensselaer St., in Buffalo, NY. Subsequent to this approval the company was acquired by Tyco Industries and relocated to its newly constructed manufacturing facility at 400 Exchange St, Buffalo, NY. The new facility is located one and

one-half blocks away from its previous location and is more efficient in terms of its manufacturing capabilities and employee workflow design. The company has reaffirmed its commitment to retain 300 jobs.

RECOMMENDATION

It is recommended that the EDPAB approve the revisions to the job commitments as listed in Exhibit "A", the name change, and allocation modifications detailed above.

RESOLVED, That the members of the Economic Development Power Allocation Board hereby approve job commitments revisions to three companies listed in Exhibit "A", a name change, and allocation modifications to two companies: International Business Machine Corporation and Graphic Controls Corporation.

June 26, 2001

Exhibit "A"

Economic Development Power Allocation Board

Company	Allocation (kW)	Jobs As Reported	Jobs As Revised	Change	Revised Jobs/MW
Flextronics International	1,000	590	475	-115	475
Interface Solutions, Inc.	1,000	228	189	-39	189
Little Falls Hospital	200	540	365	-175	1,825
TOTALS:		<u>1,358</u>	<u>1,029</u>	<u>-329</u>	

12. **Informational Item - Power for Jobs - Status of Approved Applications and Summary of Action on Applications**

13. **Informational Item – Economic Development Power - Status of Approved Applications and Summary of Action on Applications**

14. Next Meeting

It was determined that the next meeting of the Board would be scheduled at a later date.