

**ECONOMIC DEVELOPMENT POWER  
ALLOCATION BOARD  
MINUTES**

*February 22, 2010  
Video Conference – 9:00 a.m.*

*New York Power Authority Offices:  
123 Main Street, 16<sup>th</sup> Floor, White Plains, NY  
30 South Pearl Street, 10<sup>th</sup> Floor, Albany, NY  
Empire State Development Corp., 95 Perry Street, Suite 500, Buffalo, NY  
King Video Conference Center, 14 Suntree Place, Melbourne, FL*

1. Approval of the Minutes of the January 26, 2010 Regular Meeting and the February 2, 2010 Special Meeting.
2. Power for Jobs Extended Benefits Recommendations for Electricity Savings Reimbursements

**A. COMPANIES IN JOB COMPLIANCE**

**Central Hudson - Service Territory**

Northeast Solite Corporation  
Mount Marion – Ulster County

**Con Edison - Service Territory**

Greater Jamaica Development Corp  
Jamaica – Queens County

North General Hospital  
New York – New York County

Memorial Sloan Kettering Corp  
New York – New York County

NYU Medical Center  
New York- New York

Mount Sinai Medical Center  
New York – New York County

Pepsi Cola Bottling Company  
College Point – Queens

New Museum of Contemporary Art  
New York – New York

The Brooklyn Historical Society  
Brooklyn – Kings County

Norampac, New York City  
Maspeth – Queens

**Long Island Power Authority - Service Territory**

American Technical Ceramics  
Huntington Station - Suffolk County

Silver Lake Cookie Co.  
Islip – Suffolk County

Good Samaritan Hospital  
West Islip – Suffolk County

Ultimate Precision Metal  
Farmingdale – Suffolk County

Kleer-Fax Inc  
Amityville – Suffolk County

**National Grid - Service Territory**

CWM Chemical Services, LLC Model City Niagara County	Meloon Foundries, Inc Syracuse – Onondaga County
Diemolding Corporation Canastota – Madison County	Nathan Littauer Hospital & Nursing Home Gloversville – Fulton County
Edward John Noble Hospital Gouverneur – St. Lawrence County	Natrium Products, Inc Cortland – Cortland County
Fiber Glass Industries Amsterdam – Montgomery County	Power Pallet Schenectady – Schenectady County
Fitzpatrick & Weller, Inc Ellicottville – Cattaraugus County	Revere Cooper Products Rome – Oneida County
GL & V Sandy Hill Inc Hudson Falls – Washington County	Spray Nine Corporation Johnstown – Fulton County
Higbbe Inc. Syracuse – Onondaga County	St. Joseph’s Hospital Health Center Syracuse – Onondaga County
Interface Solutions, Inc Fulton – Oswego County	Stone Construction Equipment, Inc Honeoye – Ontario County
Intertek Testing Services Cortland – Cortland County	Syracuse Plastics Liverpool – Onondaga County
Luvata Buffalo Buffalo – Erie County	Syracuse University Syracuse – Onondaga County
Lydall Manning Green Island – Albany County	Turbine Engine Components Technologies Whitesboro – Oneida County

**New York State Electric & Gas**

Merritt Machinery, LLC  
Lockport – Niagara County

**Rochester Gas & Electric**

International Business Machines  
Rochester – Monroe County

**OTHER BUSINESS**

3. Next Meeting

February 22, 2010

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

- 1) New York Power Authority, 123 Main Street, White Plains, NY
- 2) New York Power Authority, 30 South Pearl Street, Albany NY
- 3) Empire State Development Corp., 95 Perry Street, Suite 500, Buffalo, NY
- 4) King Video Conference Center, 14 Suntree Place, Melbourne, FL

The following Members of the Board were present at the following locations:

**Kenneth Schoetz**, Chairman (Buffalo, NY)  
**Eugene L. Nicandri**, Member, (Melbourne, FL)  
**Robert B. Catell**, Member, (New York, NY)

**Also in attendance were:**

James F. Pasquale	Senior Vice President - Marketing & Economic Development, NYPA
Karen Delince	Corporate Secretary, NYPA
MaryJean Frank	Associate Corporate Secretary, NYPA
Lorna Johnson	Assistant Secretary, NYPA
Timothy Muldoon	Manager – Business Power Allocations & Compliance, NYPA
Michael Huvane	Director – Business Muni & Coop Marketing & Economic Development, NYPA
Michael Saltzman	Director – Media Relations, NYPA
Dennis Eccleston	Chief Information Officer, Information Technology, NYPA

**February 22, 2010**

**1. Adoption of Minutes**

The minutes of the Regular Meeting of January 26, 2010 and the minutes of the Special Meeting of February 2, 2010 were unanimously adopted.

## **2. Power for Jobs Program – Extended Benefits**

### **SUMMARY**

The Members of the Economic Development Power Allocation Board (“EDPAB”) are asked to recommend that the Power Authority’s Trustees (“Trustees”) approve extended benefits for 39 Power for Jobs (“PFJ”) customers as listed in Exhibit “A.”

### **BACKGROUND**

In July 1997, the New York State Legislature approved a program to provide low-cost power to businesses and not-for-profit corporations that agree to retain or create jobs in New York State. In return for commitments to create or retain jobs, successful applicants received three-year contracts for PFJ electricity.

The PFJ program originally made 400 megawatts (“MW”) of power available and was to be phased in over three years. As a result of the initial success of the program, the Legislature amended the PFJ statute to accelerate the distribution of the power and increase the size of the program to 450 MW. In May 2000, legislation was enacted that authorized additional power to be allocated under the program. Legislation further amended the program in July 2002.

Chapter 59 of the Laws of 2004 extended the benefits for PFJ customers whose contracts expired before the end of the program in 2005. Such customers had to choose to receive an “electricity savings reimbursement” rebate and/or a power contract extension. The Authority was also authorized to voluntarily fund the rebates, if deemed feasible and advisable by the Trustees.

PFJ customers whose contracts expired on or prior to November 30, 2004 were eligible for a rebate to the extent funded by the Authority from the date their contract expired through December 31, 2005. Customers whose contracts expired after November 30, 2004 were eligible for rebate or contract extension, assuming funding by the Authority, from the date their contracts expired through December 31, 2005.

Approved contract extensions entitled customers to receive the power from the Authority pursuant to a sale-for-resale agreement with the customer’s local utility. Separate allocation contracts between customers and the Authority contained job commitments enforceable by the Authority.

In 2005, provisions of the approved State budget extended the period PFJ customers could receive benefits until December 31, 2006. Chapter 645 of the Laws of 2006 included provisions extending program benefits until June 30, 2007. Chapter 89 of the Laws of 2007 included provisions extending program benefits until June 30, 2008. Chapter 59 of the Laws of 2008 included provisions extending the program benefits until June 30, 2009. Chapter 217 of the Laws of 2009 included provisions extending the program benefits until May 15, 2010.

At its meeting of October 18, 2005, EDPAB approved criteria under which applicants whose extended benefits EDPAB had reduced for non-compliance with their job commitments could apply to have their PFJ benefits reinstated in whole or in part. EDPAB authorized staff to create a short-form application, notify customers of the process, send customers the application and evaluate reconsideration requests based on the approved criteria.

### **DISCUSSION**

EDPAB is requested to recommend that the Authority Trustees approve electricity savings reimbursement payments (rebates) to the 39 PFJ customers are listed in Exhibit “A,” all of which are meeting their job commitments. Collectively, these organizations have agreed to retain more than 51,000 jobs in New York State in exchange for the rebates. The rebate program will be in effect until its May 15, 2010 sunset date.

RECOMMENDATION

It is requested that the Economic Development Power Allocation Board recommend that the New York Power Authority's Trustees approve the payment of electricity savings reimbursements to the 39 businesses listed in Exhibit "A."

*Mr. James Pasquale presented the highlights of staff's recommendations to the Board. Responding to a question from Mr. Robert Catell, Mr. Pasquale said that the Power Authority's Trustees had decided that due to the current economic downturn, Power for Jobs customers that are not meeting their job numbers will not be penalized. In response to a question from Chairman Kenneth Schoetz, Mr. Pasquale said that, while no bills related to extending or replacing the Power for Jobs and Energy Cost Savings Benefits programs have yet been introduced in the Legislature, the Assembly, Senate and Governor's Office are all working on various versions of such a bill. A draft Assembly bill would expand the number of MW available. It also would allow hydropower now sold to the three upstate investor-owned utilities for the benefit of rural and domestic ("R&D") customers to be phased into the new program. The impact on residential customers would be mitigated by energy efficiency programs provided for in the bill. Mr. Pasquale added that business groups throughout the State support the R&D block being used for economic development purposes. Mr. Pasquale added that any new legislation enacted will more than likely include a provision for extending the current programs beyond their May 15, 2010 sunset date. In response to a question from Judge Eugene Nicandri, Mr. Pasquale said that the R&D power consists of hydropower from both the Niagara and the St. Lawrence plants that is sold to National Grid, New York State Electric and Gas Corporation and Rochester Gas and Electric Corporation. The R&D power is blended with the utilities' own power, resulting in an average \$6 monthly discount on the R&D customers' utility bills.*

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

**WHEREAS, the following entities have applied for extended benefits recommendations for electricity savings reimbursements under the Power for Jobs program:**

**Central Hudson - Service Territory**

**Northeast Solite Corporation  
Mount Marion – Ulster County**

**Con Edison - Service Territory**

**Greater Jamaica Development Corp  
Jamaica – Queens County**

**North General Hospital  
New York – New York County**

**Memorial Sloan Kettering Corp  
New York – New York County**

**NYU Medical Center  
New York- New York**

**Mount Sinai Medical Center  
New York – New York County**

**Pepsi Cola Bottling Company  
College Point – Queens**

**New Museum of Contemporary Art  
New York – New York**

**The Brooklyn Historical Society  
Brooklyn – Kings County**

**Norampac, New York City  
Maspeth – Queens**

**Long Island Power Authority - Service Territory**

**American Technical Ceramics  
Huntington Station - Suffolk County**

**Silver Lake Cookie Co.  
Islip – Suffolk County**

**Good Samaritan Hospital  
West Islip – Suffolk County**

**Ultimate Precision Metal  
Farmingdale – Suffolk County**

**Kleer-Fax Inc  
Amityville – Suffolk County**

**National Grid - Service Territory**

**CWM Chemical Services, LLC  
Model City Niagara County**

**Meloon Foundries, Inc  
Syracuse – Onondaga County**

**Diemolding Corporation  
Canastota – Madison County**

**Nathan Littauer Hospital & Nursing Home  
Gloversville – Fulton County**

**Edward John Noble Hospital  
Gouverneur – St. Lawrence County**

**Natrium Products, Inc  
Cortland – Cortland County**

**Fiber Glass Industries  
Amsterdam – Montgomery County**

**Power Pallet  
Schenectady – Schenectady County**

**Fitzpatrick & Weller, Inc  
Ellicottville – Cattaraugus County**

**Revere Cooper Products  
Rome – Oneida County**

**GL & V Sandy Hill Inc  
Hudson Falls – Washington County**

**Spray Nine Corporation  
Johnstown – Fulton County**

**Higbbe Inc.  
Syracuse – Onondaga County**

**St. Joseph's Hospital Health Center  
Syracuse – Onondaga County**

**Interface Solutions, Inc  
Fulton – Oswego County**

**Stone Construction Equipment, Inc  
Honeoye – Ontario County**

**Intertek Testing Services  
Cortland – Cortland County**

**Syracuse Plastics  
Liverpool – Onondaga County**

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**Luvata Buffalo**  
**Buffalo – Erie County**

**Syracuse University**  
**Syracuse – Onondaga County**

**Lydall Manning**  
**Green Island – Albany County**

**Turbine Engine Components Technologies**  
**Whitesboro – Oneida County**

**New York State Electric & Gas**

**Merritt Machinery, LLC**  
**Lockport – Niagara County**

**Rochester Gas & Electric**

**International Business Machines**  
**Rochester – Monroe County**

**NOW THEREFORE BE IT RESOLVED, That the Board hereby finds and determines that such applications meet the requirements of the extended benefits provisions of the Power for Jobs legislation contained in Article 6 of the Economic Development Law as amended by Chapter 217 of the Laws of 2009; and be it further**

**RESOLVED, That the Board recommends to the Power Authority of the State of New York the 39 applications for extended benefits recommendations for electricity savings reimbursements discussed herein totaling 37,349 kW for the period through May 15, 2010.**

**Economic Development Power Allocation Board  
Power for Jobs - Extended Benefits  
Recommendation for Electricity Savings Reimbursements - Companies in Job Compliance**

Exhibit "A"  
February 22, 2010

Line	Company	City	County	IOU	KW	Jobs Committed	Jobs in Application	Over (under)	% Over (under)	Compliance	Recommended Allocation (KW)	Type	Service
1	Northeast Solite Corp.	Mount Marion	Ulster	CHGE	600	60	57	-3	-5%	Yes	600	Large	Manufactures nonmetallic mineral products
	<b>Total Central Hudson</b>		<b>Subtotal</b>	<b>1</b>	<b>600</b>	<b>60</b>	<b>57</b>				<b>600</b>		
2	Greater Jamaica Development Corp.	Jamaica	Queens	Con Ed	375	151	144	-7	-5%	Yes	375	NFP	Urban & Community Development
3	Memorial Sloan-Kettering Cancer Center	New York	New York	Con Ed	5,000	9,840	9,756	-84	-1%	Yes	5,000	NFP	Medical Center
4	Mount Sinai Medical Center	New York	New York	Con Ed	2,000	10,327	10,759	432	4%	Yes	2,000	NFP	Medical Center
5	New Museum of Contemporary Art	New York	New York	Con Ed	50	88	84	-4	-5%	Yes	50	NFP	Art Center
6	Norampac New York City, Inc.	Maspeth	Queens	Con Ed	600	204	181	-23	-11%	Yes*	600	Large	Corrugated paper packaging & displays
7	North General Hospital	New York	New York	Con Ed	400	1,120	1,029	-91	-8%	Yes	400	NFP	Hospital
8	NYU Medical Center	New York	New York	Con Ed	4,000	11,364	12,387	1,023	9%	Yes	4,000	NFP	Medical Center
9	Pepsi Cola Bottling Company	College Point	Queens	Con Ed	2,200	1,003	1,098	95	9%	Yes	2,200	Large	Manufacturer & distributes of soft drinks
10	The Brooklyn Historical Society	Brooklyn	Kings	Con Ed	30	18	17	-1	-6%	Yes	30	NFP	Community Services
	<b>Total Con Ed</b>		<b>Subtotal</b>	<b>9</b>	<b>14,655</b>	<b>34,115</b>	<b>35,455</b>				<b>14,655</b>		
11	American Technical Ceramics	Huntington Station	Suffolk	LIPA	200	386	289	-97	-25%	Yes*	200	Small	Ceramic Capacitor
12	Good Samaritan Hospital	West Islip	Suffolk	LIPA	800	3,137	3,071	-66	-2%	Yes	800	NFP	Healthcare Center
13	Kleer-Fax Inc.	Amityville	Suffolk	LIPA	200	130	105	-25	-19%	Yes*	200	Small	Mfr. paper and plastic products for the office
14	Silver Lake Cookie Company	Islip	Suffolk	LIPA	400	195	196	1	1%	Yes	400	Large	Manufacturer of specialty cookies
15	Ultimate Precision Metal	Farmingdale	Suffolk	LIPA	250	116	89	-27	-23%	Yes*	250	Small	Manufactures controlled enclosures
	<b>Total LIPA</b>		<b>Subtotal</b>	<b>5</b>	<b>1,850</b>	<b>3,964</b>	<b>3,750</b>				<b>1,850</b>		
16	CWM Chemical Services, LLC	Model City	Niagara	N. Grid	330	65	75	10	15%	Yes	330	Small	Industrial Waste treatment, storage, & disposal
17	Diemolding Corporation	Canastota	Madison	N. Grid	184	201	82	-119	-59%	Yes*	184	Small	Thermoset plastic forming
18	Edward John Noble Hospital	Gouverneur	St. Lawrence	N. Grid	100	237	230	-7	-3%	Yes	100	NFP	Healthcare center
19	Fiber Glass Industries Inc.	Amsterdam	Montgomery	N. Grid	700	148	146	-2	-1%	Yes	700	Large	Produces high strength woven fabrics
20	Fitzpatrick & Weller, Inc.	Ellicottville	Cattaraugus	N. Grid	1,000	86	81	-5	-6%	Yes	1,000	Large	Lumber & wood components
21	G L & V Sandy Hill Inc.	Hudson Falls	Washington	N. Grid	750	99	85	-14	-14%	Yes*	750	Large	Full service foundry & machine shop
22	Higbee Inc.	Syracuse	Onondaga	N. Grid	100	47	42	-5	-11%	Yes	100	Small	Mfr. of gaskets and sealing products
23	Interface Solutions, Inc.	Fulton	Oswego	N. Grid	940	139	99	-40	-29%	Yes*	940	Large	Vinyl flooring and fiber gasket backing
24	Intertek Testing Services	Cortland	Cortland	N. Grid	600	311	353	42	14%	Yes	600	Large	Independent test lab
25	Luvata Buffalo, Inc. (OAB Holdings)	Buffalo	Erie	N. Grid	5,000	617	540	-77	-12%	Yes*	5,000	Large	Metal manufacturing
26	Lydall Manning	Green Island	Albany	N. Grid	1,100	114	103	-11	-10%	Yes	1,100	Large	Specialty Paper Manufacturer
27	Meloon Foundries, Inc.	Syracuse	Onondaga	N. Grid	275	52	42	-10	-19%	Yes*	275	Small	Non-Ferrous Sand Casting Foundry
28	Nathan Littauer Hospital & Nursing Home	Gloversville	Fulton	N. Grid	400	698	720	22	3%	Yes	400	NFP	Hospital and Nursing Home
29	Natrium Products, Inc.	Cortland	Cortland	N. Grid	90	21	21	0	0%	Yes	90	Small	Baking soda manufacturer
30	Power Pallet	Schenectady	Schenectady	N. Grid	250	112	123	11	10%	Yes	250	Small	Produces wood pallets & skids
31	Revere Copper Products	Rome	Oneida	N. Grid	2,000	412	374	-38	-9%	Yes	2,000	Large	Copper & brass products
32	Spray Nine Corporation	Johnstown	Fulton	N. Grid	300	106	71	-35	-33%	Yes*	300	Small	Specialty cleaning chemical
33	St. Joseph's Hospital Health Center	Syracuse	Onondaga	N. Grid	1,000	3,209	3,023	-186	-6%	Yes	1,000	NFP	Healthcare Center
34	Stone Construction Equipment Inc.	Honeoye	Ontario	N. Grid	300	198	96	-102	-52%	Yes*	300	Small	Light construction equipment
35	Syracuse Plastics, Inc.	Liverpool	Onondaga	N. Grid	400	42	43	1	2%	Yes	400	Large	Maker of plastic parts and components
36	Syracuse University	Syracuse	Onondaga	N. Grid	2,000	4,575	4,648	73	2%	Yes	2,000	NFP	Institution of Higher Education
37	Turbine Engine Components Technologies	Whitesboro	Oneida	N. Grid	1,200	288	234	-54	-19%	Yes*	1,200	Large	Precision forging plant
	<b>Total National Grid</b>		<b>Subtotal</b>	<b>22</b>	<b>19,019</b>	<b>11,777</b>	<b>11,231</b>				<b>19,019</b>		
38	Merritt Machinery, LCC	Lockport	Niagara	NYSEG	75	9	7	-2	-22%	Yes*	75	Small	Hardwood, veneer and plywood machinery
	<b>Total NYSEG</b>		<b>Subtotal</b>	<b>1</b>	<b>75</b>	<b>9</b>	<b>7</b>				<b>75</b>		
39	International Business Machines - Rochester	Rochester	Monroe	RGE	1,150	592	584	-8	-1%	Yes	1,150	Large	Computer Manufacturer
	<b>Total RG&amp;E</b>		<b>Subtotal</b>	<b>1</b>	<b>1,150</b>	<b>592</b>	<b>584</b>				<b>1,150</b>		

Total	39	37,349	50,517	51,084
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37,349
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\* Company had all or part of their allocation restored through the reconsideration process, or will not have this month's rebate benefits reduced based on program policy and procedures.

3. Next Meeting

The next meeting of the Board is to be determined.