



**NY Power  
Authority**

**Canal  
Corporation**

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

**October 8, 2024**

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Minutes of the Joint Meeting of the New York Power Authority's Board of Trustees and Canal Corporation's Board of Directors held at the New York Power Authority's White Plains office at approximately 9:00 a.m.

**Members of the Board present were:**

John R. Koelmel, Chairman  
Dennis T. Trainor  
Bethaida González  
Laurie Wheelock  
Lewis M. Warren, Jr.  
Cecily Morris  
Michael Cusick

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Justin Driscoll	President and Chief Executive Officer
Lori Alesio	Executive Vice President and General Counsel
Adam Barsky	Executive Vice President and Chief Financial Officer
Joseph Kessler	Executive Vice President and Chief Operating Officer
Daniella Piper	Executive Vice President and Chief of Innovation Officer
Alexis Harley	Senior Vice President and Chief Risk & Resiliency Officer
Yves Noel	Senior Vice President and Chief Strategy Officer
Robert Piascik	Senior Vice President – Chief Information & Technology Officer
Karina Saslow	Senior Vice President – Human Resources
Patricia Lombardi	Senior Vice President – Project Delivery
Maribel Cruz-Brown	Senior Vice President – Clean Energy Solutions
John Canale	Senior Vice President – Strategic Supply Management
Salman Ali	Senior Vice President – Internal Audit
John Canale	Senior Vice President – Strategic Supply Management
Carley Hume	Senior Vice President – Public and Regulatory Affairs
David Mellen	Regional Manager and Senior Vice President – Canals
Rebecca Hughes	Executive Deputy Director – Canals
Karen Delince	Vice President and Corporate Secretary
Victor Costanza	Vice President and Chief Information Security Officer
Kayla Mainsah	Vice President – Environmental Justice
Vannela Yadhati	Vice President – Renewable Project Development
Joshua Cortes	Deputy Chief of Staff – Executive Office
Christopher Vitale	Director Projects – Business Services
Sheila Quatrocci	Senior Associate Corporate Secretary
Michele Stockwell	Senior Assistant Corporate Secretary
Jeanne Bergman	Manager – Public Power NY
Alex Peterson	Coordinator - Public Power NY

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

## **Introduction**

Chair John Koelmel welcomed the Trustees/Directors and NYPA and Canal staff members who were present at the meeting. He said that the meeting had been duly noticed as required by the Open Meetings Law and called the meeting to order pursuant to the Authority's Bylaws, Article III, Section 3.

### **1. Adoption of the October 8, 2024 Proposed Meeting Agenda**

On motion made by Trustee Michael Cusick and seconded by Trustee Dennis Trainor, the members adopted the meeting Agenda.

## **Conflicts of Interest**

*Chair Koelmel and members Trainor, González, Wheelock, Morris, Warren, and Cusick declared no conflicts of interest based on the list of entities previously provided for their review.*

### **2. DISCUSSION AGENDA:**

#### **a. Strategic Initiatives**

##### **i. President and Chief Executive Officer's Report**

President and Chief Executive Officer, Justin Driscoll, provided highlights of the report to the members. He said that the theme of the report will focus on how the Authority operationalize strategy. Ms. Daniella Piper and Mr. Yves Noel will be reporting on the Authority's VISION2030 refresh efforts, which was driven largely by the legislation last year, and the new authority to own and operate Renewables, a major driver in the effort to refresh the VISION2030 strategy. Mr. Adam Barsky will provide a fiscal report, Mr. Joseph Kessler on the Authority's physical assets and Ms. Alexis Harley on strategy and risk.

President Driscoll continued that that Authority is in the process of completing the Authority's Renewables Strategic Plan. Staff will start discussions with the members and the public on the final Strategic Plan and will request the members' approval of the Plan at the January 2025 Board meeting. He added that this has been a monumental effort by staff over the last 18 months -- looking for renewables project development ideas, strengths, weaknesses, successes, and failures around the world. The Renewables staff is in place and financial infrastructure has been created in order to enable this effort.

## **NYPA Renewables Timeline**

In May 2023, the Renewables Legislation was enacted.

In 2024:

- NYPA will qualify developers.
- NYPA will set up internal operations looking at learnings around the United States and the world, and public and private sectors, on successes and failures.
- NYPA will be publicizing the 2024 Conferral Report and Strategic Plan on its website.
- The public comment period for the Renewables Draft Strategic Plan will commence.
- NYPA will be advancing the tools that will be needed in order to enable this effort.

The members will be requested to review and approve the financial infrastructure related to this project, including the creation of a subsidiary, that was passed by the Legislation. This is an important part of how the Authority will operationalize this project. The members will also be requested to approve the initial funding of \$100 million for the Renewables projects, the first financial contribution to this effort.

The Authority will continue to finalize projects and seek input from the public regarding the Plan. The members will also be requested to approve funding for projects. In January, the members will be requested to approve the final Plan.

## **1. New York Power Authority's Draft Renewables Strategic Plan**

President Driscoll reported on the Authority's other commitments to energy and the environment to the members. This includes:

- Operations of 17 generating facilities
- Percentage of electricity made in NY (mostly hydropower) - approximately 25%
- More than 1,550 circuit miles of transmission
- Stewardship of the New York State Canal System which will be celebrating its bicentennial anniversary and the World Canals conference in Buffalo next year
- Economic Development efforts support more than 450,000 jobs in the state, and approximately \$1B in energy efficiency projects around the state for governmental customers.

The Authority will continue to increase projects, adding renewables to the creative financial efforts the Finance team are undertaking so that the Authority can continue to support these projects.

### **NYPA Renewables – 2025 Proposed Projects**

Forty (40) projects have been identified that total more than 3.5 GW of potential capacity in all the regions of the state. The geographical distribution of projects around the state features solar PV, land-based wind, and battery energy storage systems.

The Authority is currently in due diligence with all the projects, negotiating terms (land, partnership/ takeover opportunities) for projects.

President Driscoll then invited Ms. Vennela Yadhati, Vice President of Renewable Project Development, to provide highlights of the projects to the members.

Ms. Yadhati said that the Authority looked at different kinds of projects, including projects that are potentially at risk to be cancelled; possibilities for the organization to focus on its own Green Field and self-developed projects working with publicly-owned lands, peer agencies and other local governments; and large-scale, private-sector and distributed generation projects. The team also worked with the Authority's Environmental Justice team and had discussions with several community-based organizations to develop a portfolio of tangible community-based projects. The team will also focus on projects that are at a mature stage and have a higher potential to be quickly brought online.

To date, 84 developers have been prequalified. The Authority had discussions with several of the pre-qualified developers. The Request for Qualification ("RFQ") closed on September 30th. The Authority continues its due diligence on the proposed projects to better align them with its internal strategy, the technical assessments or bottom-line of how NYPA builds projects including Enterprise Risk Management, the governance processes, and project impact scores.

- Thirty-one (31) of the forty (40) projects belong to private developers.
- Nine (9) projects are NYPA self-developed; four are large-scale projects in New York State and are between 20–100 MW.
- Distributed Generation is 5 MW.
- Thirteen (13) of the 40 projects are located in disadvantaged communities.
- More than 75% are solar PV projects.
- Eleven percent (11%) are battery energy storage systems.
- Eleven percent (11%) are standalone projects; and
- Six percent (6%) are related to land-based, NYPA self-developed, and DG projects.

### **Self-developed projects**

The Authority is planning to develop a 40-MW injected capacity Solar PV project at a closed prison in Sherman County, working with Empire State Development (“ESD”), Department of State (“DOS”) and the Office of General Services.

The Authority is also collaborating with the county IDA for this to be a “clean economy zone” pairing renewable generation project, and, potentially attracting clean energy industries, such as manufacturing, on site that will collaborate and benefit from each other. Another is a 5-MW Solar PV project in Green County, New York, with the private sector which will be developed as a community solar project. It will qualify for the Authority’s REACH program which offers bill credits to disadvantaged community households on their electric utility bills.

### **NYPA Renewables – Next Steps**

#### **Strategic Plan Release and Hearing Schedule**

President Driscoll said that NYPA is embarking on the public hearing process. The hearings have been scheduled at six locations around the state with afternoon and evening sessions, including one virtual. The hearing is designed to inform the final product that the members will be requested to approve in January 2025 along with the Authority’s Strategic Plan.

Staff will provide any additional information to the members at the December Board meeting. The Plan will then be finalized and filed with the Legislature by January 31, 2025, the statutory deadline. This is a top priority for the Authority and will be reflected in its VISION2030 Renewed Corporate Strategy.

## **ii. Introduction to VISION2030 Renewed**

Ms. Daniella Piper, Executive Vice President and Chief Innovation Officer, provided highlights of the report to the members. She said that the VISION2030 Renewed is NYPA’s Strategic Plan, a roadmap for transforming the state’s energy infrastructure and delivering on the Authority’s vision of a thriving, resilient New York State powered by clean energy.

### **VISION2030 Strategic Plan**

The VISION2030 Strategic Plan was launched in 2020 after the passage of the state’s nation-leading Climate Leadership and Community Protection Act (“CLCPA”). VISION2030 recognized the critical role that NYPA would play in achieving the goals of the CLCPA and leveraging NYPA’s strengths. It consists of five strategic priorities:

1. Partnering with customers and the state to deliver clean and affordable energy solutions.
2. Pioneering the path to decarbonization while ensuring reliability, resilience, and affordability of the state’s electric grid.



3. Facilitating the rapid development of transmission assets.
4. Preserving and enhancing the value of hydropower assets as a core source of carbon-free power, flexibility and resilience as the state's energy grid evolves; and
5. Adaptively reimagine the New York State canal system for the economic and recreational benefit of New Yorkers while driving operational efficiency.

Since 2020, NYPA has been making tremendous progress towards achieving these goals.

The passage of the 2020-2024 State Budget provided NYPA with Expanded Authority. This Expanded Authority, along with the fact that the Authority was approaching the halfway mark of its VISION2030 roadmap, prompted NYPA to revisit its VISION2030 Strategic Plan.

To this end, over the past year, the Authority solicited input from communities and customers to inform how the organization will partner with them and the solutions that it can provide. NYPA also considered how federal and state policies were reshaping the industry and NYPA's new obligations under the Expanded Authority.

Through a series of interviews and workshops, the team engaged Board members and staff at various levels of the organization in discussions about the program to date, and new opportunities to create value for the Authority's customers, communities and the state. Staff also engaged with industry leaders to incorporate leading practices and energy technologies into NYPA's Strategic Plan, VISION2030 Renewed! The Authority also incorporated its expanded authority into the renewed Plan. Many of the priorities remain the same since they are relevant and are aligned with the goals laid out in the Climate Leadership and Community Protection Act and NYPA's vision for a thriving, resilient New York powered by clean energy.

Ms. Piper then invited Mr. Yves Noel, the Authority's Senior Vice President of Strategy and Corporate Development, to provide the members details of VISION2030 Renewed. She said that he would report on some of the changes, including the Authority's role as laid out by the Expanded Authority.

### **VISION2030 Renewed Strategic Plan**

Mr. Yves Noel, Senior Vice President of Strategy and Corporate Development, provided highlights of the Authority's revised Strategic Plan, VISION2030 Renewed. He said that there have been many changes in the industry since the Authority implemented its VISION2020 Strategic Plan.

The driving forces around the Authority's renewal of its VISION2030 Strategic Plan include:

- **NYS Climate Change Impacts**
- **New Gubernatorial Administration**  
The Governor established an energy transition plan which centers on affordability, decarbonization, Environmental Justice and community engagement.
- **Expanded Authority given in the 2023-24 Enacted State Budget**  
Expanded Authority was given to build, own and operate Renewables.
- **Infrastructure Investment and Jobs Act 2021 and Inflation Reduction Act 2022**  
A significant number of federal incentives were given to reinvest and re-focus on energy infrastructure.

- **NYPA VISION2030 Performance**

The Authority has maintained its strategic core, its vision for a thriving, resilient New York and its mission to lead the energy transition. The strategic priorities have now been updated as follows:

**1. To drive the clean energy transformation through emissions-free generation.**

This goal will be achieved with the use of emission-free resources; enhanced hydropower value; and decarbonization of the Authority's gas fleet.

**2. Be the leading transmission developer, owner and operator for New York State.**

The Authority plans to invest \$200-\$400 million, annually, in its transmission asset-base; concentrate its portfolio on wider state objectives and be the strategic partner of choice.

**3. Enable customers to achieve their decarbonization goals.**

The Authority will enable its customers to achieve their decarbonization goals by offering them clean energy choices; offer comprehensive decarbonization support; and positioning NYPA as a trusted energy advisor.

**4. Revitalize the New York State Canal System.**

The Authority will maintain and improve the Canal infrastructure by securing resources and funding, and foster connection, enjoyment and respect for the infrastructure.

**Foundational Pillars**

The Authority has aligned its foundational pillars in order to support its strategic priorities, moving from a "functional" to "outcomes" focused approach as follows:

**1. Uplifting People and Values:**

- Enhancing competencies abilities, and organizational performance
- Empowering individuals through exposure and experiences
- Ensuring employees feel passionate about their jobs

**2. Supporting the diverse needs of the Communities in which the Authority operate and impact:**

- Promoting environmental justice, just treatment and meaningful involvement
- Supporting clean energy workforce development
- Building a pipeline of diverse suppliers

**3. Building an innovation ecosystem that accelerates customer and grid decarbonization:**

- Fostering a mindset that encourages new ideas
- Continuing to develop digital infrastructure and new technologies
- Leveraging emerging technologies

**4. Integrating sustainability into how NYPA operates to drive value:**

- Decarbonizing and adapting to the impacts of climate change
- Promoting a circular economy to resource management
- Enhancing ecosystems and biodiversity
- Working with stakeholders

**5. Strengthening NYPA's resilience for long-term viability:**

- Mitigating new risks and emerging trends
- Equipping personnel to bolster NYPA's viability
- Providing mature response processes to remain agile; and
- Positioning the organization to successfully recover from disruptions.

### **Next Steps**

Nine workstream teams consisting of NYPA's four core businesses and five foundational pillars will guide discussions through a series of meetings in order to understand and improve the current Plan and implement the VISION2030 Plan.

A detailed Plan will be provided entailing what the Authority will be doing in 2025 in order to ensure that the organization meets the outcomes of the VISION2030 Strategic Plan.

## **b. Financial Operations**

### **i. Chief Financial Officer's Report**

Mr. Adam Barsky, Chief Financial Officer, provided highlights of the financial report to the members.

### **Year-to-Date Actuals through August 31, 2024**

#### **Revenues**

Year-to-Date through August, the Authority operated ahead of its Budget Plan. Despite lower prices than originally anticipated, the Authority continued to out-perform from its generating assets based on higher levels of production, better water flow and throughput. In addition, the Authority's Hedging Program has offset the impact of the lower prices. Therefore, the Authority is operating ahead of its budget schedule based on the revenues from its generation assets.

Transmission revenue is also ahead of the budget schedule. This is based primarily on the Authority's filings, which had a positive impact. In addition, the Authority is currently going through its annual "True-Up" process which results will be available when the actual result for the prior year is finalized.

#### **Expenses**

The Authority's expenses continue to be on track with the budget projections despite unplanned outages, emergent work at the sites, and higher than expected Pension Expense based on changes made by the Legislature to the Tier 6 Pension Plan. In addition, Interest Income exceeded the year-to-date targets because interest rates stayed higher for longer than was originally anticipated.

### **2024 Year-End Projection**

Based on the year-end projections, the Authority expects its operations to remain above the budget target. The Authority is now going through the budget planning cycle for 2025 and the Four-Year Budget Plan.

### **Bond Transaction Update**

The Authority was very satisfied with the execution of the bond transaction, an indication of how the Authority is perceived by its customers, communities, investors, and the financial market.

### **Results of Series 2024A Revenue Bond Transaction**

- The Authority had two ratings upgrades to AA+. Going into the Bond sale with this positive upgrade not only helped NYPA's General Bonds, but also its Transmission Bonds which were also upgraded.
- The Authority's bonds generated more than \$2 billion in orders, for \$450 million of bonds, five times the amount offered.

- Due to high demand, NYPA was able to achieve an All-in True Interest Cost ("TIC") of 3.56%, which is a low rate.

### **Outstanding General Resolution Debt Service**

With the defeasance of \$348 million of taxable bonds and the issuance of the Series 2024A tax-exempt bonds, the Authority has sufficient capital capacity for future projects.

### **Comparison to Recent New York Issuance**

The City and State of New York are highly rated. The State of New York is rated AAA with two agencies rated AA+. The Authority received additional benefits of positive arbitrage which helped lower the overall costs. The Authority outperformed other agencies. This was due mainly to the organization being perceived in the marketplace as a solid operator which executes its plans for major projects and has a track record of doing so on schedule and on budget. There is also confidence in what the organization is doing for what is held to be an essential service. This is a reflection of how the outside world in this arena views NYPA and is a credit to the people in the organization and what it does.

### **Preference Power Rate Change Timeline**

Under the statute, Preference Power Rate customers, which includes Municipals, Cooperatives, and neighboring states, are required to pay no more than is deemed to be the cost of their service. They are low-cost customers and have not had a rate increase since 2014. The Authority plans to file a Notice of Proposed Rulemaking in December for the members' approval. After a public comment period, the members will be requested to authorize a Notice of Adoption for the new rates.

### **2025 Budget and 2025-2028 Financial Plan Timeline**

Staff is in the process of finalizing the 2025 Budgets and 2025-2028 Financial Plan for NYPA and Canal Corporation. In November, the Preliminary Budgets and Financial Plan will be presented to the Finance Committee for review and recommendation for the NYPA and Canals Boards' approval.

Mr. Barsky ended that, following the December 10th Board meeting, the approved Budgets and Financial Plan will be posted on the Authority's website, distributed for public inspection around the state and delivered to the Office of the State Comptroller.

## **c. Utility Operations**

### **i. Chief Operating Officer's Report**

Mr. Joseph Kessler, Executive Vice President and Chief Operating Officer, provided highlights of the report to the members. He said that the report will be in categories in keeping with the Authority's VISION2030 Renewed and organizational changes with Generation led by Brian Sayers; Transmission, Sal Rohas; Customer Solutions, Maribel Cruz-Brown, and Canal Corporation, Rebecca Hughes. In addition, Patricia Lombardi (Project Delivery) and Bradford Van Auken (Central Support Services), the enterprise by function.

### **Generation**

- The Authority is currently going through the annual FERC Dam Safety Inspections using a new, risk-based approach that FERC implemented.
- Twenty-four (24) projects are a part of the new NYISO interconnections cluster connecting to NYPA's grid.

- Generation is continuing to support NYPA Renewables.
- The DSS+ (Dupont Safety System) Safety Perception Survey was conducted recently. The Labor Unions were engaged in this process and provided feedback and recommendations for the Authority's approach to safety.

### **Transmission**

- Last summer, the team conducted a drill to move operations to its secondary Energy Control Center in liaison with New York Independent System Operation.
- Agreement with NYC DEP on structural impacts on the RFK-305 line which crosses the Hudson – This relates to an aqueduct used for drinking water in NYC that is being relocated. The Authority is currently working with the NYC DEP regarding structural impacts of dewatering in order to protect its transmission assets.
- The Authority continues discussions with Champlain Hudson Power Express (CHPE) on the technical aspects of the crossing work on the Authority's PV-20 Line that goes from New York to Vermont.

### **Customer Solutions**

- The team is coordinating customer interactions to evaluate sites for large-scale NYPA Renewables.
- Discussions on Cost-of-Service increase and customer power supply contract negotiations continue.
- EVolve NY was recognized as Public Utilities Fortnightly's Top Innovators competition winner in the Electrification category for MTA Electric Bus Charging Project.

### **Robert Moses Niagara Power Project Incident**

On August 13th, the Authority had a stator equipment failure at the Niagara Project. This RM Unit 2 equipment weighs 254 tons. The Authority has 13 generators at the Robert Moses Plant; 11 generators are needed to meet the Authority's obligations for the New York ISO. An adjacent unit, RM Unit 3, also tripped out with this fault; the unit is now back in service. Staff will be conducting an analysis to determine the root cause of the failure.

### **Y49 Sprain Brook Reactor**

The Sprain Brook Reactor controls voltage to maintain the system when there are changes in the loads in the system on long transmission lines and in urban areas. Data monitored at the iSOC indicated an internal thermal fault and the unit would go into failure and damage the reactor. The Authority safely removed the equipment from service and replaced it with a spare part. The equipment will be evaluated and repaired. There were no major impacts to the grid's operations.

### **Clean Energy Solutions**

Customer Solutions supports some of the Decarbonization Leadership (DL15) work at Empire State Plaza. The services provided by the Authority since the 1990's include:

- More than 2700 projects have been completed
- To date, \$3.9 billion has been invested in NYS
- More than \$300 million in new investments annually
- More than \$270 million of customer savings annually
- more than 1 million tons of GHG saved annually

### **Decarbonization Leadership – 15(DL15)**

As part of the enabling legislation, the Authority was authorized to develop decarbonization action plans for 15 of the top GHG emitting state facilities and create master plans for those facilities identifying a path to full decarbonization. There are five agencies and authorities that compose the 15 facilities, namely, SUNY, Corrections and Community Division, Office of General Services (Empire State Plaza), City University of New York (“CUNY”), and Office of Mental Health. All of the 15 plans are on schedule for completion.

### **Empire State Plaza**

Empire State Plaza infrastructure has 17 buildings with more than 12 million square-foot of building space. Adjacent to the buildings are the Education Building, the NYS Capitol Building, and other ancillary buildings. The Authority is aggressively decarbonizing this space with electric chillers, street lighting projects and HVAC systems. Along with OGS, there has been a number of outreaches for input from the local communities and stakeholders. The current portfolio is for more than \$70 million in construction and \$100 million for projects in design. Master planning efforts are moving forward for successful completion.

## **1. Canal Revitalization**

Mr. David Mellen, Regional Manager and Senior Vice President – Canals , and Ms. Rebecca Hughes, Executive Deputy Director of Canals, provided highlights of the projects to the members.

### **Reimagine the Canals Initiatives**

Ms. Rebecca Hughes, Executive Deputy Director of Canal Corporation (“Canals”), provided highlights of the report to the members.

#### **Project Milestones:**

#### **Final installation of Iconic Lighting, Tonawanda**

The iconic lighting program in Tonawanda is one of the early interventions to reimagine the canals. Historic assets were renewed, bringing community attention back to their history and future. Five structures have been lit including the Fairport Lift Bridge; Lock 17 in Little Falls, the highest single lift on the canal system; lighthouses at Brook and Oneida Lake and, currently, the final installation on the rail bridge connecting the City of Tonawanda with North Tonawanda, going over the Erie Canal. These efforts will foster economic development in those communities.

#### **Steel Signing Event, Brockport**

There was a Steel Signing event in Brockport, New York, for a pedestrian bridge that will connect SUNY Brockport campus with downtown Brockport on the canal side and the Empire State trail. A grand opening is being planned to commensurate with the opening of the canal system in May 2025, the canals bicentennial year.

#### **Guy Park Manor**

Guy Park Manor is a historic manor house that was damaged in storms in 2011. The manor was lifted out of the flood plain and is now sitting 3 feet 8 inches higher than it was during the time it was damaged. Resilience measures were built into this historic restoration including moving the utilities from the lower levels to the upper levels, and a design that allows water to flow under the building, knowing that extreme precipitation is part of the future and adapting so that history can be preserved while being more resilient.

- **NYS Tourism Industry Association's Tourism Award for "More Voices"**

Ms. Hughes congratulated Elizabeth McAndrew, and the engagement team for the work they did to develop a campaign called "More Voices". Ms. McAndrew recently received recognition for this campaign through the New York State Tourism Industry Association. This brochure, the first in a series, highlights contributions of African Americans to the canal system. It is designed to show the Erie Canal's interrelatedness with the history of the Underground Railroad and the contribution that the canal made for Freedom Seekers that were looking for pathways to Canada and beyond.

This highlights not only abolitionists and people who aided Freedom Seekers, but also African Americans who build businesses along the canal, operated ships and industrial facilities, and contributed to their communities. Peyton Harris, for example, not only ran a canal-oriented business but was also one of the founding members of Michigan Street Baptist Church which is now part of the Michigan Street Historic district in Buffalo that highlights the contributions of African Americans to the founding of that city.

**2024 Navigation Season Highlights**

Mr. Dave Mellen, Regional Manager and Senior Vice President - Canals provided highlights of the 2024 navigation season and the winter work program to the members. He said that the navigation season will close on October 16. With commercial permits, some passages will be allowed after the closing. The team will then transition to the Winter Work Program.

**Waterways:**

**System Usage**

- Measuring the lockage, recreational traffic on the canal remained the same and system usage was steady.
- The trail traffic was similar to years past with heavy foot traffic in urban areas.
- The new hours, 8:00 a.m. to 6:00 p.m., received positive feedback from the public and internal sources. The plan is to continue with this schedule next season.
- Canals' Notice to Mariners on its website indicates closures of locks and other assets. The number of unexpected closures was similar to last year.
- Canals has a refreshed inspection program, the Fall Inspection Program. Although the number of lock closures was similar to last year, the duration of the closures was less. This is attributed to the improved inspection program with a large focus on the mechanical and electrical components.

**Commercial Shipping**

- Cargo carrying commercial vessels were up 57%; non-cargo up 15%. This represents about 1% of all vessels.
- Notable shipments include the Ralph Wilson Park Bridge, Braen Stone shipments on the Champlain Canal and cable shipments supporting the Champlain Hudson Power Express project. Canals plans to extend passage through November 8 to support this project.

**Hurricane Debby**

- In preparation for Hurricane Debby, Canals pulled the movable dams in the Mohawk Valley. This action demonstrates the Canal Corporation's continuing commitment to public safety.

**Workforce:**

**Staffing**

Staff remain the same with approximately 470 permanent positions filled, and a vacancy rate of 10 percent. In addition, 35 seasonal employees were converted to permanent employees.

**Training Program**

The Training Program continues to grow. As previously mentioned, title consolidation supports the increasing array of duties that any employee could be asked to perform. Two, new, Program Administrators will be onboarded to improve this program.

**Employee Engagement**

Employee Engagement relates to the broad understanding of the corporation's strategy and promoting appreciation of its culture. The Corporation also plans to roll-out new Employee Recognition programs.

In terms of strategy, maintaining and improving infrastructure, securing resources and funding, and fostering connection and enjoyment of the canal system are the themes that are being broadly and consistently communicated throughout the organization.

**Challenges:**

**Utica Section Security**

. During June – August there were approximately 13-14 thefts of items in the Utica Section including brass components from vessels, lawnmowers, pressure washers, and generators. Initially, cameras were installed, and, working with the local authorities, an arrest was made. However, the thefts continued. Canals is now working with Crisis Management and Security at NYPA to take a broader, systematic look at this new trend on the canal system which has more than 400 buildings, many of which are in remote areas.

**Emergent Work**

To date, Canals have less emergencies and more emergent work which includes projects such as the Royalton cut off wall, critical upland disposal site cleanouts in the Utica area, and tree clearing in a variety of dams to facilitate inspections.

**Winter Work and Beyond:**

**Pump-Out Projects**

Canals' systematic maintenance work continues with the critical projects, "Pump-outs." This winter, ten pump-out projects have been planned. Of the ten, five are continuing and five are new projects. Some of the projects such as E-14, O-5 and CS-1 are two-year projects. A lot of this work is performed under very harsh conditions, therefore, there is a focus on safety during this work.

**Capital Program**

Canal Revitalization has two components, namely, Funding and Resources and Delivery. In 2023, the Canals Funding Working Group was formed to obtain grants and other external funding. To date, \$13 million has been secured and \$10.3 million is currently pending. In addition, five applications for funding are pending.

Last year, Canals secured \$50 million in funding from the Division of Budgets. On October 1, the team conducted a site visit with senior staff of the Division of Budgets to promote an understanding of the projects and secure additional funding.



The NYPA Project Management Delivery team will deliver additional projects that are beyond the capacity of Canals' staff. The team is putting a framework into place for Project Delivery that is aligned with asset types such as the Dam and Embankment programs.

## **Innovation:**

### **Inspection Program Leveraging Technology**

The concept of monitoring and awareness is critical to allowing the corporation to have a safe environment for the public between now and the time the canal system can be repaired. The team continues monitoring and understanding risks, and inspections.

Approximately 800 inspections are conducted per year by Licensed Engineers. A Proof-of-Concept exercise at Madison Reservoir is scheduled for next week whereby, from a remote location, Drones will be used to get photos, videos, and thermographic images to detect leaks and transmit the information to the Engineers. If the Drones determine a concern, Robotic Dogs will be used to take pictures within a few inches of the problem that will need to be repaired. In addition, real dogs are trained to walk and sniff the embankments, which have a distinct smell, and can lead the Engineer to any leaks that need to be repaired.

### **Water Management System**

As it relates to the complexities of the many intersecting bodies of water and controls, staff is working to create a more transparent water management system at Canals. The system's development will be completed by the end of this year with testing the first quarter of next year followed by "roll-out" phases by the end of the year.

## **2. Vessel Naming in Honor of Thomas X. Grasso**

Mr. David Mellen, Regional Manager and Senior Vice President – Canals, provided highlights of staff's recommendation to the members. He said that this is a proposal to name a new tugboat in honor of Thomas X. Grasso.

The members previously approved the procurement of up to four tugboats. Subsequently, Blunt Boats Inc. in Warren, Rhode Island, started manufacturing two of the four, delivery of which is expected in May 2025. The first tug will go to the Waterford section, and the second, to the Utica section in September 2025. The remaining two tugboats will be delivered in 2027. Staff is proposing that the naming of the first tugboat be "The Thomas X. Grasso." Thomas Grasso passed away in 2022 and was a highly respected Canal Advocate and Erie Canal expert.

Thomas Grasso's contributions to New York State and the Canals include:

- Studies in Geology and Paleontology at the University at Buffalo and Cornell University
- Founded the Geosciences Department at Monroe Community College
- Served as Canal Society of New York President for more than 40 years
- Served as Inland Waterways International President for 8 years; and
- Integral in restoring Port Byron Erie Canal Heritage Park

Mr. Mellen thanked Trustee González for her participation and support of this proposal and Brian Stratton, Director of Canals, who spoke with Corola Grasso, Tom's widowed wife, in Pittsburgh, New York. She is aware of this proposal and will be part of any dedication in the future.

On motion made by Trustee Bethaida González and seconded by Trustee Dennis Trainor the following resolution, as recommended by the President and Chief Executive Officer was unanimously adopted.

RESOLVED, That the Board of Trustees and Canal Corporation Board of Directors adopt to dedicate a newly fabricated Canal Corporation tug vessel the '*Thomas X. Grasso*' in recognition of the exceptional life Mr. Grasso had lived as a champion of canals, as discussed in the foregoing report of the President and Chief Executive Officer.

RESOLVED, that the Chair, the President and Chief Executive Officer, and all other officers of the Authority be, and each of them hereby is, authorized on behalf of the Authority and Canal Corporation 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, subject to the approval of the form thereof by the Executive Vice President and General Counsel.

#### **d. Risk and Resiliency**

##### **i. Chief Risk and Resiliency Officer's Report**

Ms. Alexis Harley, Senior Vice President and Chief Risk and Resiliency Officer, provided highlights of the report to the members. She said that risk is uncertainty and, like strategy, evolve in light of changing conditions and progress. Therefore, risk and strategy are interconnected.

#### **NYPA's Strategy Refresh and Risk:**

Three things to note:

##### **1. Risk considerations are fed into the strategy refresh process; the refreshed strategy becomes the basis for the risk profile.**

The Risk Management team holistically reviews the organization's entire set of risks and risk profile. To support this, risk team members were part of the core team for the strategy refresh that was led by Yves Noel, Senior Vice President and Chief Strategy Officer. This allowed for a very organic consideration of risks across the organization's priorities and foundational pillars. It was integrated into the Refresh Workshops and Workstreams. Once the refreshed strategy articulation and the updated commitments are in place, they will then become the basis for the risk profile and risk assessments, going forward.

##### **2. Risk management processes will help maintain the balance between risk and reward as we execute the strategy.**

Strategy is intended to achieve outcomes. When there is a shift in strategy, shifts in risks may occur versus reward, during the implementation period, as well as the ongoing execution through the end of the strategy period.

The Authority's risk processes are the mechanism through which the team assesses, monitors, manages, and pivots, as needed, to maintain the intended risk reward balance. This is the key driver behind the risk processes in place and why the Authority looks at risks to achieving the outcomes of its vision, mission, and the priorities within its strategy statement.

**3. We will also assess and, may adjust our risk appetite for certain risk categories.**

The team is reviewing the risk appetite levels in light of the Authority's VISION2030 Renewed to see if any adjustments are necessary. Given that the Authority is simply refreshing its strategy, and has expanded authority not a radically different Authority, it is anticipated that most of the risk appetite levels will be reaffirmed and only a few categories will have modifications. The risk appetite statement will be reviewed in its entirety, making no assumptions, and discussed the executive leadership.

Integrating VISION2030 Renewed is the focus of the risk, resiliency and sustainability workstreams, going forward through the end of this calendar year, so that the team can provide support across the organization through 2030 and beyond.

**e. Finance Committee Report**

Chair John Koelmel reported that the Finance Committee met on September 17, 2024, adopted minutes, received one (1) staff report, and adopted eight (8) items which are now before the Trustees for adoption:

- i. Recommend that the Trustees authorize the release of up to **\$27.0 million** in funding to the Canal Corporation to support the operations of the Canal Corporation in Q4 2024.
- ii. Recommend that the Trustees approve the request to execute the prepay agreements
- iii. Recommend that the Trustees adopt the resolution recommending the Trustees approve the incorporation of the wholly-owned subsidiary, approve the forms of the Certificate of Incorporation, the By-Laws and the Shared Services Agreement, and further recommend the Trustees authorize the release of up to **\$100 million** in funding to support the 2025 capital investments and operations of NYREDHC
- iv. Recommend that the Trustees authorize the execution of the development agreement with Hamilton Green II Partners LLC and authorization to fund initial capital expenditures in the amount of **\$50 million**.
- v. Recommend that the Trustees approve additional funding in the sum of **\$550,000** to support the Authority's Clean Energy Workforce Training Initiative along with allocations in the aggregate of **\$2.55 million** for the following programs:
  1. The ITEC Training & Education Center Workforce Training Initiative in the amount of \$114,000.
  2. The NYC District Council of Carpenters Training Center Workforce Training Initiative in the amount of \$182,000.
  3. The RETI Center Workforce Training Initiative in the amount of \$432,000.
  4. Soulful Synergy LLC's Workforce Training Initiative in the amount of \$857,000.
  5. St. Nick's Alliance's Workforce Training Initiative in the amount of \$325,000.
  6. The United Way of Long Island's Workforce Training Initiative in the amount of \$253,000; and
  7. The Urban Green Council's Workforce Training Program in the amount of \$387,000.

- vi. Recommend that the Trustees approve Value Contracts to be awarded to AECOM USA Inc., Hive Power Engineering LLC, CHA Consulting, Inc., Colliers Engineering and Design, Architecture, Surveying P.C., ECI Engineering Services, PC, Hatch Associates Consultants, Inc., K&A Engineering Consulting, P.C, LaBella Associates, D.P.C., LND Technical Services, SEL Engineering Services, Inc, Stantec Consulting Services Inc, Tetra Tech, Inc, TRC Engineers, Inc., WSP USA, Inc for five years in the aggregate amount of **\$25 million** at their next meeting.
- vii. Recommend that the Board of Trustees and Board of Directors approve award of personal services contracts to provide Statewide Canal Structural Inspection Support Services to the best value, technically qualified Suppliers; Howard L. Boswell, Engineer and Land Surveyor, P.C. / d/b/a Boswell Engineering, CDM Smith NY Inc., Collins Engineers, Inc, Greenman-Pedersen Inc., M.G. McLaren Engineering and Land Surveying, P.C., Stantec Consulting Services Inc and WSP USA Inc for a five (5) year term for a total aggregate amount of **\$25 Million**.
- viii. Recommend that the Trustees approve the capital expenditure in the amount of **\$19.3 million** for the Maximo Application Suite migration and software optimization, including funding for the IBM contract in the amount of **\$11.6 million**.

On motion made by member Dennis Trainor and seconded by member Lewis Warren, Jr., the following resolutions, as recommended by the President and Chief Executive Officer, were unanimously adopted.

**1. Release of Funds in Support of the New York State Canal Corporation for Q4 2024**

RESOLVED, that the Finance Committee hereby recommends that the New York Power Authority Board of Trustees authorize the release of up to \$27.0 million in funding to the Canal Corporation to support operations of the Canal Corporation in Q4 2024, as discussed in the foregoing report of the President and Chief Executive Officer; and be it further

RESOLVED, that the Finance Committee recommends that the New York Power Authority Board of Trustees affirm that amounts presently set aside as reserves in the Operating Fund are adequate for the purposes specified in Section 503.2 of the Authority's General Resolution Authorizing Revenue Obligations, dated February 24, 1998, as amended and supplemented (the "General Bond Resolution"), that the amount of up to \$27.0 million in funding as described in the foregoing report is not needed for any of the purposes specified in Section 503.1(a)-(c) of the General Bond Resolution and that the release of such amount is feasible and advisable; and be it further

RESOLVED, that the Finance Committee recommends that the New York Power Authority Board of Trustees affirm that as a condition to making the payments specified in the foregoing report, on the day of such payments, either the Executive Vice President and Chief Financial Officer or the Treasurer shall certify that such monies are not then needed for any of the purposes specified in Section 503.1(a)-(c) of the General Bond Resolution; and be it further

RESOLVED, that the Chair, the President and Chief Executive Officer, and all other officers of the Authority be, and each of them hereby is, authorized on behalf of the Authority and Canal Corporation 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, subject to the approval of the form thereof by the Executive Vice President and General Counsel.

**2. Approval for NYPA to Make Certain Assignments and Enter into Prepay Agreements on Behalf of Certain Customers**

RESOLVED, that the Finance Committee recommends that the Trustees authorize execution of Consolidated Limited Assignment Agreements, Power Supply Contracts, Services Agreement, PPA Custodial Agreement and LAA Side Letter, in the forms attached to the foregoing report of the President and Chief Executive Officer with such amendments, supplements, changes, insertions and omissions thereto as may be approved by the Executive Vice President and General Counsel, to implement the electricity prepay transaction, as described in the foregoing report of the President and Chief Executive Officer; and be it further.

RESOLVED, that the Chair, the President and Chief Executive Officer, and all other officers of the Authority be, and each of them hereby is, authorized on behalf of the Authority and Canal Corporation 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, subject to the approval of the form thereof by the Executive Vice President and General Counsel.

**3. Approve Incorporation of New York Renewable Energy Development Holdings Corporation and Related Matters**

RESOLVED, that the Finance Committee recommends that the Trustees approve and direct, pursuant to NYS Public Authorities Law ("PAL") §1005(27-a), the formation of New York Renewable Energy Development Holdings Corporation ("NYREDHC"), a wholly-owned subsidiary of the Authority to be incorporated under NYS Business Corporation Law ("BCL") §402; and be it further

RESOLVED, that the Finance Committee recommends that the Trustees adopt the following determinations in connection with authorizing and directing the formation of a subsidiary corporation hereby: (i) NYREDHC shall be organized for the purpose of exercising, on behalf of the Authority, the power of the Authority under PAL §1005(27-a) to plan, design, develop, finance, construct, own, operate, maintain and improve, either alone, or jointly with other entities through the use of public-private agreements, renewable energy generating projects in New York State (the "State"); (ii) carrying out such projects through NYREDHC is intended to limit the potential liability impact of its projects on the Authority and expand market opportunities for investment in renewable energy generating projects; (iii) NYREDHC, the Authority or a wholly-owned subsidiary shall at all times maintain majority ownership of such renewable energy generating projects; (iv) NYREDHC shall not have the authority to impose any liabilities or obligations upon the Authority and the Authority shall not assume any liability or responsibility thereunder absent its specific agreement and (v) NYREDHC shall be subject to any provision of the PAL pertaining to subsidiaries of public authorities, except §2827-a(3), and therefore shall make the reports and other disclosures as are required by the PAL; and be it further

RESOLVED, that the Finance Committee recommends that Trustees authorize the President and Chief Executive Officer of the Authority to approve the

execution and filing with the Secretary of State the Certificate of Incorporation establishing NYREDHC in substantially the form attached to the foregoing report of the President and Chief Executive Officer (the "Certificate of Incorporation"), with such changes, insertions and deletions as may be approved by the Executive Vice President and General Counsel; and be it further

RESOLVED, that the Finance Committee recommends that Trustees approve the By-Laws to be adopted by the initial board of directors of NYREDHC in substantially the form attached to the foregoing report of the President and Chief Executive Officer (the "By-Laws"), with such changes, insertions and deletions as may be approved by the Executive Vice President and General Counsel; and be it further

RESOLVED, that the Finance Committee recommends that the Trustees authorize the Chair, the President and Chief Executive Officer, the Chief Operating Officer, the Chief Financial Officer or Treasurer to execute and deliver the Shared Services Agreement to be entered into with NYREDHC to govern the provision of services by the Authority to NYREDHC and payment therefor in substantially the form attached to the foregoing report of the President and Chief Executive Officer (the "Shared Services Agreement"), with such changes, insertions, deletions and amendments as may from time to time be approved by the Executive Vice President and General Counsel; and be it further

RESOLVED, that the Finance Committee recommends that the Trustees affirm that NYREDHC shall conduct its operations in such manner as is necessary to eliminate or minimize financial risks to the Authority (including the establishment of lower-tier subsidiaries to pursue specific renewable energy projects constituting public private partnerships); and be it further

RESOLVED, that the Finance Committee recommends that the Trustees authorize the release of \$100 million in funding and the transfer of such funds to NYREDHC to support capital investments and operations of NYREDHC in calendar year 2025, as discussed in the foregoing report of the President and Chief Executive Officer; and be it further

RESOLVED, that the Finance Committee recommends that the Trustees affirm that the amounts presently set aside as reserves in the Operating Fund are adequate for the purposes specified in Section 503(2) of the Authority's General Resolution Authorizing Revenue Obligations, dated February 24, 1998, as amended and supplemented (the "General Bond Resolution"), that the amount of up to \$100 million in funding as described in the foregoing report is not needed for any of the purposes specified in Section 503(1)(a)-(c) of the General Bond Resolution, and that the release of such amount is feasible and advisable; and be it further

RESOLVED, that the Finance Committee recommends that the Trustees affirm that as a condition to making the payments specified in the foregoing report, on the day of such payments, the Treasurer shall certify that such monies are not then needed for any of the purposes specified in Section 503(1)(a)-(c) of the General Bond Resolution; and be it further

RESOLVED, that the Chair, the President and Chief Executive Officer, and all other officers of the Authority be, and each of them hereby is, authorized on behalf of the Authority and Canal Corporation 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, subject to the approval of the form thereof by the Executive Vice President and General Counsel.

**4. White Plains Office Building Facilities - Authorization to Execute a Development Agreement and to Fund Initial Capital Expenditures**

RESOLVED, that the Finance Committee recommends that the Board of Trustees authorize the execution of the development agreement with Hamilton Green II Partners, LLC for the White Plains office building, as recommended in the foregoing report of the President and Chief Executive Officer, and be it further;

RESOLVED, that the Finance Committee recommends that the Trustees authorize, pursuant to the Authority's Capital Planning and Budgeting Procedures, funding of initial capital expenditures in the amount of \$50 million to advance the land purchase and acquisition and planning activities for the proposed White Plains Office Facilities and in accordance with, and as recommended in, the foregoing report of the President and Chief Executive Officer, and be it further;

RESOLVED, that the Authority, in accordance with Treasury Regulation Section 1.150-2, hereby declares its official intent to finance as follows: The Authority intends to reimburse to the maximum extent permitted by law with the proceeds of tax-exempt obligations to be issued by the Authority, all expenditures made and which may be made in accordance with the acquisition described in the foregoing report of the President and Chief Executive Officer, and be it further;

RESOLVED, that the Chair, the President and Chief Executive Officer, and all other officers of the Authority be, and each of them hereby is, authorized on behalf of the Authority and Canal Corporation 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, subject to the approval of the form thereof by the Executive Vice President and General Counsel.

**5. Workforce Development Funding – Authorization to Allocate Funds and Request for Additional Funding**

RESOLVED, that the Finance Committee recommends that the Authority's Board of Trustees approve release of additional funds of \$550,000 to fund the Clean Energy Workforce Development initiatives;

Training Provider:	Funding Allocation:
ITEC Training & Education Center	\$114,000
NYC District of Council Carpenters Training Center	\$182,000
RETI Center	\$432,000
Soulful Synergy, LLC	\$857,000
St. Nick's Alliance	\$325,000
United Way of Long Island	\$253,000
Urban Green Council	\$387,000

RESOLVED, that the Finance Committee recommends that the Authority's Board of Trustees approve funding of Workforce Development initiatives through the allocation of the \$2 million and the additional \$550,000 for an aggregate total of \$2.55 million for Workforce Development initiative; and be it further

RESOLVED, that the Finance Committee recommends that the New York Power Authority Board of Trustees affirm that amounts presently set aside as reserves in the Operating Fund are adequate for the purposes specified in Section 503.2 of the Authority's General Resolution Authorizing Revenue Obligations, dated February 24, 1998, as amended and supplemented (the "General Bond Resolution"), that the aggregate amount of \$ 2.55 million in funding as described in the foregoing report is not needed for any of the purposes specified in Section 503.1(a)-(c) of the General Bond Resolution and that the release of such amount is feasible and advisable; and be it further

RESOLVED, that the Finance Committee recommends that the New York Power Authority Board of Trustees affirm that as a condition to making the payments specified in the foregoing report, on the day of such payments, either the Executive Vice President and Chief Financial Officer or the Treasurer shall certify that such monies are not then needed for any of the purposes specified in Section 503.1(a)-(c) of the General Bond Resolution; and be it further

RESOLVED, that the Chair, the President and Chief Executive Officer, and all other officers of the Authority be, and each of them hereby is, authorized on behalf of the Authority and Canal Corporation 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, subject to the approval of the form thereof by the Executive Vice President and General Counsel.

**6. On-Call Engineering Services for Power Generation, Transmission & Ancillary Facilities Recommendation for Award**

RESOLVED, that the Finance Committee recommends that the Trustees approve, pursuant to the Guidelines for Procurement Contracts adopted by the Authority and the Authority's Expenditure Authorization Procedures, the award of a five-year engineering services contract awards to AECOM USA Inc , Hive Power Engineering LLC, CHA Consulting, Inc., Colliers Engineering and Design, Architecture, Surveying P.C., ECI Engineering Services, PC, Hatch Associates Consultants, Inc., K&A Engineering Consulting, P.C, LaBella Associates, D.P.C., LND Technical Services, SEL Engineering Services, Inc, Stantec Consulting Services Inc, Tetra Tech, Inc, TRC Engineers, Inc., and WSP USA in the aggregate amount of \$25 million; and be it further

RESOLVED, that the Finance Committee recommends that the Authority approve the use of Capital Funds, which may include proceeds of debt issuances, to finance the costs of projects; and be it further

RESOLVED, that the Chair, the President and Chief Executive Officer, and all other officers of the Authority be, and each of them hereby is, authorized on behalf of the Authority and Canal Corporation 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, subject to the approval of the form thereof by the Executive Vice President and General Counsel.



**7. Statewide Canal Structural Inspection Support Services - Contract Award**

RESOLVED, that the Finance Committee recommends that the New York Power Authority Board of Trustees and The New York State Canal Corporation Board of Directors approve the award of personal services contract(s) to provide Statewide Structural Inspection Support Services for the Canal Corporation to the best value, technically qualified Suppliers; Boswell Engineering, CDM Smith, Collins Engineering, Greenman-Pedersen, M.G. McLaren Engineering, Stantec Consulting Services, and WSP USA for a five (5) year term for a total aggregate amount of \$25 Million. The contract award is subject to the Trustees' approval at their meeting on October 8, 2024.

RESOLVED, that the Authority will use capital or operating funds, as appropriate, which may include proceeds of debt issuances, to finance the costs of projects; and be it further

RESOLVED, that the Chair, the President and Chief Executive Officer, and all other officers of the Authority be, and each of them hereby is, authorized on behalf of the Authority and Canal Corporation 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, subject to the approval of the form thereof by the Executive Vice President and General Counsel.

**8. IBM Maximo Application Suite (MAS) Migration and Software Optimization Contract Award and Capital Expenditure Authorization**

RESOLVED, that the Finance Committee recommends that the Trustees approve, pursuant to the Authority's Capital Planning and Budgeting Procedures, the approval of capital expenditures in the amount of \$19,345,785 for the Maximo Application Suite migration and software optimization; and be it further

RESOLVED, that the Finance Committee recommends that the Trustees approve, pursuant to the Guidelines for Procurement Contracts adopted by the Authority and the Authority's Expenditure Authorization Procedures, the approval to authorize the IBM contract in the amount of \$11,633,946 to implement the aforementioned project; and be it further

RESOLVED, that the Finance Committee recommends that the Trustees approve the Authority's use of Capital Funds, which may include proceeds of debt issuances, to finance the costs of projects; and be it further

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

RESOLVED, that the Chair, the President and Chief Executive Officer, and all other officers of the Authority be, and each of them hereby is, authorized on behalf of the Authority and Canal Corporation 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, subject to the approval of the form thereof by the Executive Vice President and General Counsel.

**f. Risk and Resiliency Committee Report**

Chair Cecily Morris reported that the Risk and Resiliency Committee met on Tuesday, September 17, 2024, as follows:

“Chief Risk and Resiliency Officer, Alexis Harley, introduced the three agenda items which were: the mid-year Enterprise Risk results; the Merchant Portfolio Hedging Program update; and a Physical Security update.

“The mid-year Enterprise Risk report included an overview of the NYPA and Canals risk assessment results. The key takeaway was that there were no major movements in risk scores since the 2023 year-end update; the profile has remained stable. This is common for enterprise risks when there is not a significant shift or disruption. It was also noted that a new “controllability” factor has been added to the risk management and controls scoring model. Considering controllability will help with assessment and prioritization of mitigation strategies and controls.

“The Merchant Portfolio hedging update recapped the Authority’s programmatic approach, which layers on hedges throughout the year to reduce downside risks and stabilize revenue outcomes. At the end of the year, it is anticipated that the 2025 hedge percentage will be slightly over the approved minimum target and 2026 and 2027 hedge percentages will be on target. The annual review of the Authority’s multi-year hedging strategy takes place this quarter.

“The physical security update pointed out the similarities and differences of physical security needs at NYPA and Canals. Despite several differences, there are common mitigation strategies and controls that are used across both organizations, such as intelligence monitoring tools and mass notification systems. Lessons learned from events, audits, exercises, etc., are shared across both organizations.

“The minutes for the meeting held on July 16, 2024, were adopted. No other items were brought to vote.”

Chair Morris ended stating that the next Risk & Resiliency Committee meeting will take place in 2025 on a date to be determined.

**3. CONSENT AGENDA:**

On motion made by Member Dennis Trainor and seconded by Member Laurie Wheelock, the Consent Agenda, and the following resolutions as recommended by the President and Chief Executive Officer, were unanimously adopted.

**a. Finance**

**i. Adjustment to Westchester County Governmental Customer Cost of Service and Rates – Notice of Proposed Rulemaking**

RESOLVED, That the Vice President – Economic Development & Key Account Management, or designee, be, and hereby is, authorized to issue written notice to the affected Customers of this proposed action by the New York Power Authority Trustees for a

projected 10% adjustment of the Cost of Service and associated rates applicable to the Westchester County Governmental Customers as set forth in the report of the President and Chief Executive Officer; and be it further

RESOLVED, that the Corporate Secretary of the Authority be, and hereby is, directed to file such notices as may be required with the Secretary of State for publication in the New York State Register and to submit such other notice as may be required by statute or regulation concerning the proposed Cost of Service and rates adjustment, and proposed tariff modification; and be it further.

RESOLVED, that the Chair, the President and Chief Executive Officer, and all other officers of the Authority be, and each of them hereby is, authorized on behalf of the Authority 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, subject to the approval of the form thereof by the Executive Vice President and General Counsel.

**b. Customer Solutions**

**i. Replacement Power Allocation**

RESOLVED, That an allocation of 3,000 kilowatts of Replacement Power ("RP") be awarded to Air Company Holdings, Inc. for a term of 10 years for use at the company's Medina, New York facility as detailed in the report of the President and Chief Executive Officer ("Report"), be and hereby is approved, subject to rates previously approved by the Board of Trustees; and be it further

RESOLVED, That the Board of Trustees hereby authorize a public hearing pursuant to Public Authorities Law ("PAL") §1009 on the terms of the proposed form of the direct sale contract with Air Company Holdings, Inc. for the sale of the RP allocation (the "Contract"); and be it further;

RESOLVED, That the Corporate Secretary be, and hereby is, authorized to transmit a copy of the proposed Contract to the Governor, the Speaker of the Assembly, the Minority Leader of the Assembly, the Chairman of the Assembly Ways and Means Committee, the Temporary President of the Senate, the Minority Leader of the Senate and the Chairman of the Senate Finance Committee pursuant to PAL §1009; and be it further

RESOLVED, That the Chair, the President and Chief Executive Officer, and all other officers of the Authority be, and each of them hereby is, authorized on behalf of the Authority 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, subject to the approval of the form thereof by the Executive Vice President and General Counsel.

**ii. Annual Compliance Review – Expansion Power, Replacement Power and Preservation Power Hydropower Programs**

RESOLVED, That the Board of Trustees hereby accepts the recommendations regarding compliance review for the Expansion Power ("EP"), Replacement Power ("RP"), and Preservation Power ("PP") Hydropower Programs for the compliance period of January 1, 2023 through December 31, 2023; and be it further

RESOLVED, That the Board of Trustees hereby approves (1) the reduction of the EP and RP Hydropower allocations and/or supplemental job commitment adjustments for the 10 customers identified in the Report, pertaining to non-compliance with Supplemental Commitments for jobs, and (2) authorizes no compliance action for the remaining five customers identified in the Report, based on the information and recommendations in the Report; and be it further

RESOLVED, That the Board of Trustees hereby authorizes no adjustments to the EP and RP Hydropower allocations and/or supplemental capital investment commitments for the five customers identified in the Report, pertaining to non-compliance with Supplemental Commitments for capital investment, based on the information and recommendations in the Report; and be it further

RESOLVED, That the Board of Trustees hereby approves (1) the reduction of the EP and RP Hydropower allocations and/or supplemental job commitment adjustments for the two customers identified in the Report, pertaining to non-compliance with Supplemental Commitments for power utilization, and (2) authorizes no compliance action for the remaining 14 customers identified in the Report based on the information and recommendations in the Report; and be it further

RESOLVED, That the Chair, the President and Chief Executive Officer, and all other officers of the Authority be, and each of them hereby is, authorized on behalf of the Authority 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, subject to the approval of the form thereof by the Executive Vice President and General Counsel.

iii. **Recommendation for Award of Fund Benefits from the Western New York Economic Development Fund by the Western New York Power Proceeds Allocation Board**

WHEREAS, The Western New York Power Proceeds Allocation Board ("Allocation Board") has recommended that the Authority make an award of Fund Benefits from the Western New York Economic Development Fund to Per Scholas ("Per Scholas"), which is more particularly described in the Report of the President and Chief Executive Officer ("Report") and the other information referred to therein;

NOW THEREFORE BE IT RESOLVED, That the Authority hereby accepts the recommendation of the Allocation Board and authorizes award of Fund Benefits to Per Scholas in the amount recommended in the Report for reasons set forth in the Report and other information referred to therein, conditioned upon an agreement between the Authority and applicant on the final terms and conditions that would be applicable to the award and set forth in a written award contract ("Award Contract") between the Authority and the applicant, approved by the President and Chief Executive Officer, or his designee, and approved by the Executive Vice President and General Counsel or her designee, as to form; and be it further

RESOLVED, That the Executive Vice President and Chief Operating Officer, or such official's designee, is authorized to negotiate with the applicant concerning such final terms and conditions that will be applicable to the award; and be it further

RESOLVED, That the Executive Vice President and Chief Operating Officer, or such official's designee, is authorized to execute on behalf of the Authority an Award Contract for this award, subject to the foregoing conditions; and be it further

RESOLVED, That the Chairman, the President and Chief Executive Officer, the Chief Operating Officer and all other officers of the Authority are, and each of them hereby is, authorized on behalf of the Authority 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, subject to the approval of the form thereof by the Executive Vice President and General Counsel.

**iv. Transfer of RNY and Expansion Power Allocations**

RESOLVED, That the transfer of a 970 kilowatt ("kW") Recharge New York Power allocation and 400 kW Expansion Power allocation awarded to Cliffstar LLC for at its facility at One Cliffstar Avenue, Dunkirk, NY 14048, to Refresco Beverages US Inc. for use at the same facility, as described in the report of the President and Chief Executive Officer ("Report") be, and hereby is, approved subject to (1) such terms and conditions as are set forth in the Report, and (2) such terms and conditions as are required by the New York Power Authority ("Authority") in contract documents prepared by the Authority in order to effectuate the transfers; and be it further

RESOLVED, That the transfer of a 126 kW Recharge New York Power allocation awarded to Hanan Products Company, Inc. for at its facility at 196 Miller Place, Hicksville, NY 11801, to Rich Products Corporation for use at the same facility, as described in the Report be, and hereby is, approved subject to (1) such terms and conditions as are set forth in the Report, and (2) such terms and conditions as are required by the New York Power Authority ("Authority") in contract documents prepared by the Authority in order to effectuate the transfers; and be it further

RESOLVED, That the transfer of a 120 kW Expansion Power allocation awarded to Global Abrasive Products, Inc. for use at its facility located at 378 Niagara Street, Lockport, NY 14094, to Global Abrasives, Inc. for use at the same facility, as described in the Report be, and hereby is, approved subject to (1) such terms and conditions as are set forth in the Report, and (2) such terms and conditions as are contained in contract documents prepared by the Authority to effectuate the transfer; and be it further

RESOLVED, That the transfer of a 2,050 kW Expansion Power allocation awarded to Ashland Advanced Materials, LLC for use at its facility located at 6100 Niagara Falls Blvd., Niagara Falls, NY 14304, to Americarb, Inc. for use at the same facility, as described in the Report be, and hereby is, approved subject to (1) such terms and conditions as are set forth in the Report, and (2) such terms and conditions as are contained in contract documents prepared by the Authority to effectuate the transfer; and be it further

RESOLVED, That the Chair, the Vice Chair, the President and Chief Executive Officer and all other officers of the Authority are, and each of them hereby is, authorized on behalf of the Authority and Canal Corporation 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, subject to the approval of the form thereof by the Executive Vice President and General Counsel.

**v. High Load Factor Power Allocation**

RESOLVED, That an allocation of 6,900 kilowatts ("kW") of High Load Factor ("HLF") Power be awarded to Air Company Holdings, Inc. ("Air Company"), in connection with its expansion project to construct a new facility to produce sustainable aviation fuel and by-

products such as renewable diesel and alcohols, for a term of 10 years as detailed in the Report of the President and Chief Executive Officer ("Report"), be and hereby is approved, subject to Service Tariff No. HLF-1 previously approved by the Board of Trustees; and be it further

RESOLVED, That the proposed Contract for the sale of HLF Power to Air Company, along with Service Tariff No HLF-1, is hereby approved; and be it further

RESOLVED, That the Chair, the Vice Chair, the President and Chief Executive Officer and all other officers of the Authority are, and each of them hereby is, authorized on behalf of the Authority and Canal Corporation 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, subject to the approval of the form thereof by the Executive Vice President and General Counsel.

vi. **Extension of the Industrial Incentive Award to Pratt Paper (NY), Inc. and Economic Development Plan**

RESOLVED, That the Authority hereby approves an extension to the term of the Industrial Incentive Award previously awarded to Pratt Paper (NY), Inc. to May 31, 2025, as described in the report of the President and Chief Executive Officer, contingent upon the Economic Development Power Allocation Board's ("EDPAB") approval of the requested extension of the Plan; and be it further

RESOLVED, That the Chair, the Vice Chair, the President and Chief Executive Officer, and all other officers of the Authority be, and each of them hereby is, authorized on behalf of the Authority and Canal Corporation 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, subject to the approval of the form thereof by the Executive Vice President and General Counsel.

vii. **Contract for the Sale of Hydropower – Final Approval and Transmittal to the Governor**

RESOLVED, That the contract for the sale of 10,000 kilowatts of Replacement Power to Dimensional Energy, Inc. ( the "Contract"), is in the public interest and hereby approved, and in accordance with Public Authorities Law §1009 the Contract should be submitted to the Governor for her review and to seek her authorization for the Authority to execute the Contract, and copies of the Contract along with the record of the public hearing thereon, be forwarded to the Speaker of the Assembly, the Minority Leader of the Assembly, the Chairman of the Assembly Ways and Means Committee, the Temporary President of the Senate, the Minority Leader of the Senate and the Chairman of the Senate Finance Committee; and be it further

RESOLVED, That the Chair and the Corporate Secretary be authorized and directed to execute such Contract in the name of and on behalf of the Authority upon the Governor's approval of the Contract; and be it further

RESOLVED, That the Senior Vice President – Customer Solutions, or her designee, be, and hereby is, authorized, subject to the approval of the form thereof by the Executive Vice President and General Counsel, to negotiate and execute any and all documents necessary or desirable to implement the Contract as set forth in the report of the President and Chief Executive Officer; and be it further

RESOLVED, That the Chair, the President and Chief Executive Officer, and all other officers of the Authority be, and each of them hereby is, authorized on behalf of the Authority and Canal Corporation 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, subject to the approval of the form thereof by the Executive Vice President and General Counsel.

viii. **Extension of Hydropower Contracts with Upstate Investor-Owned Utilities for the Benefit of Rural and Domestic Consumers – Final Approval and Transmittal to the Governor**

RESOLVED, That the proposed contract extensions (“2024 Amendments”) attached to the accompanying Report of the President and Chief Executive Officer as Exhibit “A,” Exhibit “B,” and Exhibit “C” are approved; and be it further

RESOLVED, That the 2024 Amendments be submitted to the Governor for her review and authorization for the Authority to execute the 2024 Amendments, and that copies of the 2024 Amendments be forwarded to the Speaker of the Assembly, the Minority Leader of the Assembly, the Chairman of the Assembly Ways and Means Committee, the Temporary President of the Senate, the Minority Leader of the Senate and the Chairman of the Senate Finance Committee, in accordance with Public Authorities Law §1009; and be it further

RESOLVED, That the Chair, the President and Chief Executive Officer, and all other officers of the Authority be, and each of them hereby is, authorized on behalf of the Authority and Canal Corporation 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, subject to the approval of the form thereof by the Executive Vice President and General Counsel.

c. **Procurement (Services) Contracts**

i. **Procurement (Services) and Other Contracts – Business Units and Facilities – Awards, Extensions, and/or Additional Funding**

RESOLVED, That pursuant to the Guidelines for Procurement Contracts adopted by the Authority and Canal Corporation, the award and funding of the multiyear procurement services contracts referenced hereto, are hereby approved for the period of time indicated, in the amounts and for the purposes listed therein, as set forth in the report of the President and Chief Executive Officer; and be it further

RESOLVED, That pursuant to the Guidelines for Procurement Contracts adopted by the Authority and Canal Corporation, the contracts referenced hereto, are hereby approved and extended for the period of time indicated, in the amounts and for the purposes listed therein, as set forth in the report of the President and Chief Executive Officer; and be it further

RESOLVED, That the Chairman, the President and Chief Executive Officer, the Chief Operating Officer and all other officers of the Authority and Canal Corporation are, and each of them hereby is, authorized on behalf of the Authority and Canal Corporation 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, subject to the approval of the form thereof by the Executive Vice President and General Counsel.

RESOLVED, That the Chair, the President and Chief Executive Officer, and all other officers of the Authority be, and each of them hereby is, authorized on behalf of the Authority and Canal Corporation 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, subject to the approval of the form thereof by the Executive Vice President and General Counsel.

**d. Governance Matters**

**i. Appointment of Senior Vice President - Internal Audit**

RESOLVED, That pursuant to Article IV, of the Authority/Canal Corporation Bylaws, Salman Ali is hereby appointed as Authority/Canal Corporation Senior Vice President of Internal Audit, with an annual salary of \$270,000, effective immediately, to hold office until his successor is chosen and qualified or his earlier removal, resignation or death.

**ii. Proposed 2025 Schedule of Meetings**

RESOLVED, That the 2025 meeting schedule, as set forth in the report of the Vice President and Corporate Secretary, be, and hereby is, approved.

**iii. Approval of the Minutes:**

**1. Minutes of the Joint Meeting of the New York Power Authority's Board of Trustees and Canal Corporation's Board of Directors held on July 30, 2024**

On motion made and seconded, the Minutes of the Joint Meeting of the New York Power Authority's Trustees and Canal Corporation's Board of Directors held on July 30, 2024 were unanimously adopted.

**2. Minutes of the Special Joint Meeting of the New York Power Authority's Board of Trustees and Canal Corporation's Board of Directors held on September 17, 2024**

On motion made and seconded, the Minutes of the Joint Meeting of the New York Power Authority's Trustees and Canal Corporation's Board of Directors held on September 17, 2024 were unanimously adopted.



**4. NEXT MEETING**

The next meeting of the New York Power Authority's Trustees and the Canal Corporation's Board of Directors will be held on Tuesday, December 10, 2024, unless otherwise designated by the Chairman with the concurrence of the members.

**Closing**

On motion made by member Laurie Wheelock and seconded by member Dennis Trainor, the meeting was adjourned at approximately 12:04 p.m.



Karen Delince  
Corporate Secretary