

NEW YORK STATE ENERGY RESEARCH AND DEVELOPMENT AUTHORITY
Minutes of the 34th Governance Committee Meeting
Held June 28, 2022

Pursuant to a notice and agenda dated June 16, 2022, a copy of which is annexed hereto, the thirty-fourth (34th) meeting of the Governance Committee (the “Committee”) of the NEW YORK STATE ENERGY RESEARCH AND DEVELOPMENT AUTHORITY (the “Authority”) was convened at 12:00 p.m. on Tuesday, June 28, 2022 at the Authority’s Albany Office located at 17 Columbia Circle, Albany, New York and the NY Green Bank (“NYGB”) Office located at 1333 Broadway, Suite 300, New York, New York. The two locations were connected by videoconference.

The following members of the Committee were present:

Arturo Garcia-Costas, *Committee Chair*, attended from NYGB
Richard Kauffman, *Chair of the Authority*, attended from NYGB
Charles Bell, *Vice Chair of the Authority*, attended from NYGB
Sherburne Abbott attended via videoconference
Frances Resheske attended from NYGB

Member Jay Koh was unable to attend.

Also present were Doreen Harris, President and CEO; John Williams, Vice President for Policy and Regulatory Affairs; Peter Costello, General Counsel and Secretary to the Authority; Pam Poisson, Chief Financial Officer; Sara LeCain, Senior Counsel and Secretary to the Committee and various other staff of the Authority.

Committee Chair Arturo Garcia-Costas called the meeting to order and noted the presence of a quorum. The meeting notice and agenda were forwarded to the Committee on June 16, 2022 and to the press on June 17, 2022.

Committee Chair Garcia-Costas indicated that the first item on the agenda concerned the approval of the minutes of the thirty-third (33rd) meeting of the Committee, held on April 26, 2022.

Whereafter, upon motion duly made and seconded, and by unanimous voice vote of the Committee Members present, the minutes of the thirty-third (33rd) meeting of the Committee, held on April 26, 2022 were approved.

Committee Chair Garcia-Costas indicated that the next item on the agenda was to consider a resolution recommending the approval of the Governance Committee Charter and asked General Counsel and Secretary to the Authority, Peter Costello, to discuss this item.

General Counsel Costello stated that pursuant to the Public Authorities Accountability Act of 2005, each of the Authority's Committees adopted Charters setting forth each Committee's responsibilities. One of those responsibilities is to periodically review its Charter and determine what, if any, amendments need to be made. These recommendations are then presented to the full Board for consideration and approval.

General Counsel Costello indicated that Counsel's Office continually monitors relevant guidance from the New York State Authorities Budget Office ("ABO"), the New York State Comptroller's Office ("OSC"), legislation and other authority practices to determine whether to recommend any modifications. Other authorities reviewed include: the New York Power Authority ("NYPA"), Long Island Power Authority ("LIPA"), the New York State Dormitory Authority ("DASNY"), and the New York State Environmental Facilities Corporation ("EFC").

General Counsel Costello explained that management is recommending a few changes to the Charter this year. First, the Charter would be updated with a ministerial change to more clearly describe the Authority's conflict of interest policies. Next, language will be added to clarify the Committee's responsibilities with respect to the Board's annual self-evaluation. Lastly, the Committee will be given the responsibility of monitoring and making recommendations on the Authority's Diversity, Equity, and Inclusion work.

Whereafter, upon motion duly made and seconded, and by unanimous voice vote of the Committee Members present, the following resolution was adopted.

Resolution

RESOLVED, that the Authority's Governance Committee Charter as presented to the Members for consideration at this June 28, 2022 meeting, with such non-substantive, editorial changes and grammatical changes as the President and Chief Executive Officer, in their discretion, may deem necessary or appropriate, is recommended for adoption and approval by the Board.

Committee Chair Garcia-Costas indicated that the next item on the agenda was to consider and act upon the Board Members Conflict of Interest Policy and asked General Counsel Costello to discuss this item.

General Counsel Costello explained that the Public Authorities Law Section 2824(7) stipulates that the governance committee of a state public authority is to examine ethical and conflict of interest issues. ABO guidance recommends that the conflict of interest policy of an authority should be reviewed annually by its Board to ensure that it meets the organization's needs and addresses any revisions in the law.

Management is not recommending any amendments be made at this time. In making this recommendation, General Counsel Costello confirmed that there have been no changes to the ethics laws, regulations, and advisory opinions that would affect the Board Conflict of Interest Policy. Additionally, Colleen Dawson, the Authority's Ethics Officer reviewed the conflict of interest policies of NYPA, Empire State Development ("ESD"), EFC, and LIPA, and determined that the Board Conflict of Interest Policy is in alignment with those policies.

At this time, the Chair noted the arrival of Member Sherburne Abbott.

Whereafter, upon motion duly made and seconded, and by unanimous voice vote of the Committee Members present, the following resolution was adopted.

Resolution

RESOLVED, that the Conflict of Interest Policy for Board Members as presented at this June 28, 2022 meeting, is hereby recommended for approval by the Board.

Committee Chair Garcia-Costas indicated the next item on the agenda was to consider the amendments to the Authority's By-laws. These amendments are necessary to incorporate recent changes made to the Open Meetings Law pertaining to how and when videoconferencing can be used by the Board to conduct a meeting. Of note, a Member may only attend a Board meeting via videoconference from a private location when extraordinary circumstances are present. Extraordinary circumstances include disability, illness, other medical condition, caregiving responsibilities, military service, death of a relative, or other urgent or unexpected circumstances that prevents physical attendance. An extraordinary circumstances request must be made to the Chair or the Chair's designee as soon as reasonably possible after an extraordinary circumstance arises. Members participating via videoconference cannot use teleconferencing (audio only) and must be heard, seen and identified while the meeting is being conducted.

Committee Chair Garcia-Costas stated that prior to approving the proposed amendments, the Board is required to conduct a public hearing authorizing the use of videoconferencing, which would be held later in the meeting.

Committee Chair Garcia-Costas indicated the next item on the agenda was consideration of the compensation schedule and asked the Authority's Chief Financial Officer ("CFO"), Pam Poisson, to discuss this item.

CFO Poisson stated that in accordance with Public Authorities Law, the Authority is required to submit a compensation schedule that lists all employees in decision-making or management positions whose salaries exceed \$100,000 and to report their annual salary and compensation received for the fiscal year. Additionally, the statute requires the Authority to submit biographical information for each employee included on the list.

Whereafter, upon motion duly made and seconded, and by unanimous voice vote of the Committee Members present, the following resolution was adopted.

Resolution

RESOLVED, that the Authority's compensation schedule presented at this June 28, 2022 meeting is hereby recommended for approval by the Board as the compensation schedule to be submitted pursuant to Section 2800 of the Public Authorities Law; and

BE IT FURTHER RESOLVED that the attached vitae are recommended for approval by the Board for submission under Section 2800 of the Public Authorities Law.

Committee Chair Garcia-Costas indicated that the next item on the agenda was a report on the compensation of the Authority's Officers and asked CFO Poisson to discuss this item.

CFO Poisson reported that in order to calibrate and align the Officers' salaries with the Authority's staff, the Members adopted a resolution in June 2021 to authorize a formulaic adjustment to the Officers' compensation. As a result, the Officers' salaries are calculated based on the "M7" salary cap for State Management/Confidential employees. CFO Poisson indicated that the Authority conducted a review to confirm that the approved formula still aligns with other NYS entities' practices and found that salary levels are slightly higher than those at the Authority. No adjustments were recommended, and CFO Poisson advised that the Authority would continue to monitor this.

Committee Chair Garcia-Costas indicated that the next item on the agenda was consideration of a proposed adjustment to the CFO's salary. The Authority's Chair, Richard Kauffman, discussed this item.

Chair Kauffman stated that the Authority's compensation practice is to provide its employees with compensation comparable to that provided to State Management/Confidential (M/C) employees. The Officers, however, are considered exempt employees for purposes of compensation and per Article III, Section 3 of the Bylaws, the Officers' compensation is set by the

Board. To ensure that the salaries are consistent among the Officers, the Board is requested to approve an adjustment to the salary for the Chief Financial Officer.

Chair Kauffman indicated that to calibrate the Officers' salaries to be consistent relative to one another, the proposed resolution would authorize an adjustment to the Chief Financial Officer's compensation. This would make the salary equal to the salary of the Vice President for Policy and Regulatory Affairs and the Secretary and General Counsel, and consistent with the salary approved for the former position of Treasurer, including a commensurate periodic adjustment going forward consistent with the formulaic structure approved in June 2021.

Whereafter, upon motion duly made and seconded, and by unanimous voice vote of the Committee Members present, the following resolution was adopted.

Resolution

RESOLVED, that pursuant to Section 1852(9) of the Public Authorities Law and Section 3 of Article III of the By-laws of the Authority, the Members of the Authority do hereby approve the salary of the Chief Financial Officer, effective June 28, 2022, in the amount of \$193,878.

Next, Committee Chair Garcia-Costas paused the meeting to conduct a public hearing regarding the recent changes to the OML. No comments were received at the public hearing.

Following the public hearing, Committee Chair Garcia-Costas reconvened the meeting.

Whereafter, upon motion duly made and seconded, and by unanimous voice vote of the Committee the following resolution was adopted.

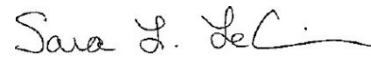
Resolution No.

RESOLVED, that the amendments to the Authority's By-laws as presented at this June 28, 2022 meeting, are hereby recommended for approval by the Board.

Lastly, Committee Chair Garcia-Costas indicated that the last item on the agenda was other business. There being no other business, Committee Chair Garcia-Costas called for a motion to adjourn.

Whereafter, upon motion duly made and seconded, and by voice vote of the Committee Members present, the meeting was adjourned.

Respectfully submitted

A handwritten signature in black ink that reads "Sara L. LeCain". The signature is written in a cursive style with a long horizontal flourish at the end.

Sara L. LeCain
Secretary to the Committee