

CERTIFICATE AS TO MINUTES

The undersigned, Secretary to the New York State Energy Research and Development Authority ("Authority"), hereby certifies that attached hereto is a complete and accurate copy of the minutes of the 263rd Meeting of the Authority, duly held on October 4, 2023.

IN WITNESS WHEREOF, I have hereunto set my hand and the seal of the Authority this 23rd day of October, 2023.



Peter J. Costello
Secretary

SEAL

NEW YORK STATE ENERGY RESEARCH AND DEVELOPMENT AUTHORITY
Minutes of the 263rd Board Meeting
Held on October 4, 2023

Pursuant to a notice and agenda dated September 22, 2023, a meeting of the New York State Energy Research and Development Authority (“Authority”) was convened on Wednesday, October 4, 2023, at 2:00 p.m. 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 Authority were present:

Richard Kauffman, *Chair of the Authority* attended from NYGB

Charles Bell, *Vice Chair of the Authority* attended from Albany

Sherburne Abbott attended from NYGB

Rory Christian attended from Albany

Arturo Garcia-Costas attended from Albany

Sadie McKeown attended from NYGB

Frances Resheske attended from NYGB

Justin Driscoll attended from NYGB

Basil Seggos attended from Albany

Members Marie Therese Dominguez and Jay Koh were unable to attend.

Also present were Doreen Harris, President and CEO; John Williams, Executive Vice President for Policy and Regulatory Affairs; Pam Poisson, Chief Financial Officer; Anthony J. Fiore, Chief Program Officer; Peter J. Costello, General Counsel and Secretary to the Authority; Sara L. LeCain, Senior Counsel and Secretary to the Committees; Amanda Stevens, Senior Project Manager Environmental Research; and various other staff of the Authority.

The Chair called the meeting to order and confirmed quorum. Notice of this meeting was provided to the Members on September 22, 2023 and to the press on September 25, 2023.

The Chair indicated that the first item on the discussion agenda was to receive a report from the Authority's President and CEO Doreen Harris.

President and CEO Harris provided the Members with an update on the Authority's recent activities in response to various global and local challenges. Globally, President and CEO Harris discussed the recent energy storage fires; the renewable energy inflation petitions; the renewable industry challenges and recent NYS actions; and the investment tailwinds from the Inflation Reduction Act ("IRA"), including project impacts of and projected emissions reduction impacts of the IRA. With respect to local challenges, President and CEO Harris reviewed the progress of the Advanced Building Codes and Zero-Emissions Code; NY Cap-and-Invest; the electric school bus roadmap; and Bond Act funding. Lastly, President and CEO Harris provided the Members with a recap of Climate week.

In response to an inquiry from Member Abbott, President and CEO Harris explained that it has taken approximately three to four months to analyze what caused the energy storage fires.

In response to an inquiry from Member McKeown, President and CEO Harris indicated that the Authority has been in and out of school curriculum over the years but has identified an opportunity to reinitiate that work.

The Chair indicated that the next item on the discussion agenda was consideration of a resolution to enter executive session for the purpose of discussing the employment history of a particular person and enter private session to discuss attorney-client privileged matters.

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

Resolution No. 1707

RESOLVED, that pursuant to Section 105 of the Public Officers Law, the Members of the New York State Energy Research and Development Authority shall convene in executive session on October 4, 2023, for the purpose of discussing the employment history of a particular person; and

RESOLVED, that pursuant to Section 108 of the Public Officers Law shall convene in private session on October 4, 2023, for the purpose of discussing attorney-client privileged matters.

Following the executive session and private session, the Chair reconvened the meeting in open session and confirmed that no formal action was taken during the executive session.

At this time, Member Abbott left the meeting.

The Chair indicated that the next item on the discussion agenda was a report on the items considered by the Governance Committee (“GC”) and asked its Chair, Arturo Garcia-Costas to discuss this item.

Member Garcia-Costas reported that the GC met earlier that day and confirmed that a quorum was present. The GC received a report from the Authority’s Diversity, Equity, and Inclusion (“DEI”) Officer Michelle Andry on the Authority’s DEI work. The GC was able to ask questions and was pleased with the discussion.

Next, Member Garcia-Costas indicated that the GC met in private session to discuss attorney-client privileged matters. No formal action was taken during the private session.

Lastly, Member Garcia-Costas explained that the GC discussed the process for how the Authority Board Members are appointed. The GC was able to ask questions and was pleased with the discussion.

The Chair indicated that the next item on the discussion agenda was to receive a report on the items considered by the Program Planning Committee (“PPC”). The Chair indicated that the PPC Chair, Sherburne Abbott, was present at the PPC meeting, but had to leave the Board meeting. Therefore, the Chair provided the report.

The Chair stated that the PPC met prior to this meeting and confirmed that a quorum was

present. The PPC received a report from the Authority's Chief Financial Officer Pam Poisson on proposed revisions to the Authority's Budget for Fiscal Year 2023-2024. These changes reflected material updates resulting from new business developments. Adjustments were made to the beginning of the year net position based upon strong Regional Greenhouse Gas Initiative ("RGGI") auction outcomes from the prior fiscal year. In addition, the revenue budget has increased by \$282.1 million due to updates to State Appropriations, additional expected utility surcharge assessments, and revenue bond adjustments related to the Clean Energy Standard portfolio. In addition, the program expenditure increase pertains to an increase in ZEC generator payments and the deployment of the Authority's EmPower+ funding, offset in part by lower anticipated payments under the Offshore Wind Port development initiative and the NYS Bond Act. Lastly, the "salaries and benefits" increase was due to a higher than projected general salary increase set by the State; a one-time payment of \$3,000 for eligible employees; and recent market movements and actuarial valuation updates for retirement and health benefit cost.

The PPC unanimously recommended that the Board approve the revisions to the 2023-2024 Budget.

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

Resolution No. 1708

RESOLVED, that the Fiscal Year 2023-2024 Budget and Financial Plan (Revised October 2023) submitted to the Members for consideration at this meeting, with such non-material, editorial changes and supplementary schedules as the President and CEO, in their discretion, may deem necessary or appropriate, be and hereby is approved.

The next item considered by the PPC was proposed revisions to the Committee's Charter. The proposed amendments clarify the Committee's responsibility associated with reviewing the Authority's activities relative to the State's progress towards advancing the goals of the Climate Leadership and Community Protection Act of 2019.

The PPC unanimously recommended that the Board approve the revisions to the PPC

Charter.

Next, the Chair reported that the PPC received a presentation on the Authority's various focus areas and future goals from Chief Program Officer Anthony J. Fore; NYGB President Andrew Kessler; Vice President for Distributed Energy Resources Technology David Sandbank; Assistant Director Distributed Energy Resources Technology, Single Family Residential Director Courtney Moriarta; Vice President for Innovation John Lochner; Government Affairs Program Manager Matt Brown; Clean Energy Transportation Director Adam Ruder; Clean Energy Transportation Senior Project Manager Vincent Riscica; Vice President for Clean and Resilient Buildings Susanne DesRoches; and Senior Advisor to the President Erich Scherer. The PPC was able to ask questions and was pleased with the discussion.

The Chair noted that the resolution on the PPC Charter would be considered as part of the consent agenda.

The Chair indicated that the next item on the discussion agenda was a report on the items considered by the Audit and Finance Committee ("A&FC"). The Chair indicated that the A&FC Chair, Jay Koh was unable to attend, therefore the Chair provided the report.

The Chair reported that the A&FC met earlier that day and confirmed that a quorum was present.

First, the A&FC reviewed proposed amendments to the Authority's Internal Control Manual. The updates will make the Internal Control Manual more understandable to all audiences, and more likely to be effectively internalized and applied by those bound to these controls.

The A&FC unanimously recommended that the Board approve the amendments to the Internal Control Manual.

The next item considered by the A&FC was proposed amendments to the Authority's Investment Guidelines. The amendments would expand the list of permitted investments to

diversity holdings within the Authority portfolios and slightly improve expected returns without taking on additional risk, as well as to assist in meeting net zero investment portfolio goals by 2040. The changes were reviewed by the Authority's statutory fiscal agent, the NYS Department of Taxation and Finance, and the Authority's investment advisor. An additional proposed update would provide the Controller and Assistant Treasurer authorization to execute investment management operational functions if so, delegated by the Chief Financial Officer ("CFO"), as opposed to only in the CFO's absence.

The A&FC unanimously recommended that the Board approve the amendments to the Investment Guidelines.

Lastly, the A&FC received a report from the Director of Internal Audit Mary Peck on the recent activities. The A&FC was able to ask questions and was pleased with the discussion.

The Chair noted that the resolutions on the Internal Control Manual and the Investment Guidelines would be considered as part of the consent agenda.

The Chair indicated that the next item on the discussion agenda was a report on the items considered by the Waste and Facilities Management Committee ("W&FMC") and asked its Chair and Vice Chair of the Authority, Charles Bell, to discuss this item.

Vice Chair Bell reported that the W&FMC met earlier in the day and a quorum was present. The W&FMC received two reports: one from Demonstration Program Manager Brad Frank on the recent activities at West Valley and one on nuclear coordination activities from Policy and Regulatory Affairs Advisor Alyse Peterson. The W&FMC was able to ask questions and was satisfied with the discussion.

The Chair indicated that there was no formal action on this report.

Next, the Chair turned to the consent agenda. There were four (4) resolutions to be considered: amendments to the Authority's Internal Control Manual, amendments to the

Authority's Investment Guidelines, the Program Planning Committee Charter, and the Periodic Contracts Report.

With respect to the Periodic Contracts Report, the Chair indicated that Counsel's Office compared the lists provided by the Members of entities with which each Member is associated which they believe may enter contracts with the Authority to the lists of contracts in the Periodic Contract Report. Counsel's Office reported just a few potential conflicts. Specifically, the Authority has entered or anticipates entering contracts with the New York Power Authority identified by Justin Driscoll; Consolidated Edison identified by Frances Resheske; and Alliance for Sustainable Energy, LLC identified by the Chair.

The Chair, Member Driscoll, and Member Resheske confirmed their recusals from voting on those specific agreements.

Whereafter, upon motion duly made and seconded, and by voice vote of the Members present, the following resolutions were adopted.

Resolution No. 1709

RESOLVED, that the amendments to the Authority's Internal Control Manual as presented at this October 4, 2023 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, are hereby approved and adopted.

Resolution No. 1710

RESOLVED, that the "Investment Guidelines, Operative Policy and Instructions (October 2023)," as presented at this October 4, 2023 meeting are hereby approved by the Board.

Resolution No. 1711

RESOLVED, the Program Planning Committee Charter, as presented to the Members for consideration at this October 4, 2023 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 approved.

Resolution No. 1713

RESOLVED, that the Periodic Contracts Report, covering the period May 16, 2023 through August 15, 2023, as presented at this meeting, including but not limited to the contracts identified therein which have been, or are expected to be, executed and which do have, or are expected to have, a period of performance in excess of one year, is hereby approved in accordance with Public Authorities Law Section 2879.

The Chair returned to the discussion agenda and indicated that the next item was to receive a program report. Senior Project Manager for Energy Research Amanda Stevens provided the Members with an update on the Authority's Climate Impact Assessment work.

In response to an inquiry from Member Christian, Senior Project Manager Stevens confirmed that the impact assessment aligns with the information Consolidated Edison released.

In response to an inquiry from Member Seggos, Senior Project Manager Stevens explained that actual costs depended on what models were available. In addition, Senior Project Manager Stevens confirmed that the costs would be for adaptation actions as opposed to mitigation actions.

In response to an inquiry from Member Garcia-Costas, Senior Project Manager Stevens confirmed that the Authority is confident that the research is being channeled appropriately.

In response to an inquiry from Member Christian, Senior Project Manager Stevens explained that the sea level rise is based on a baseline.

In response to an inquiry from Vice Chair Bell, Senior Project Manager Stevens indicated that the Authority does not have concrete plans to conduct community level meetings.

In response to an inquiry from the Chair, Senior Project Manager Stevens explained that the vulnerability assessments were a requirement that the New York State Department of Public Service performed.

In response to an inquiry from the Chair, Demonstration Program Manager Frank indicated that a national initiative on climate impact assessment is going to be discussed at the Northwest Requirement Utilities (“NRU”) meeting in November 2023.

In response to an inquiry from Member Garcia-Costas, President and CEO Harris indicated that the Metropolitan Transportation Authority (“MTA”) released a needs assessment focused on protecting against the impacts of flooding.

The Chair indicated that the last item on the agenda was other business. There being no other business, the Chair called for a motion to adjourn.

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



NYSERDA

KATHY HOCHUL
Governor

RICHARD L. KAUFFMAN
Chair

DOREEN M. HARRIS
President and CEO

NOTICE OF MEETING AND AGENDA

September 22, 2023

TO THE MEMBERS OF THE OF THE NEW YORK STATE ENERGY RESEARCH AND DEVELOPMENT AUTHORITY:

PLEASE TAKE NOTICE that a regular (the 263rd) meeting of the New York State Energy Research and Development Authority (“Authority”) will be held at 17 Columbia Circle, Albany, New York, and at the NY Green Bank Office located at 1333 Broadway, New York, New York, on Wednesday, October 4, 2023, commencing at 2:00pm., for the following purposes:

I. Discussion Agenda

1. To receive a report from the President and CEO.
2. To consider and act upon a resolution to convene in executive session for the purpose of discussing the employment history of a particular person and in private session to discuss Board Member indemnity.
3. To receive a report from the Governance Committee.
4. To receive a report from the Program Planning Committee and to consider and act upon a resolution approving revisions to the Authority’s Fiscal Year 2023-2024 Budget.
5. To receive a report from the Audit and Finance Committee.
6. To receive a report from the Waste and Facilities Management Committee.
7. To receive a program report.

II. Consent Agenda

New York State Energy Research and Development Authority

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1. To consider and act upon resolutions approving:
 - i. amendments to the Authority's Internal Control Manual;
 - ii. amendments to the Authority's Investment Guidelines;
 - iii. the Program Planning Committee Charter; and
 - iv. the periodic contracts report.

III. To transact such other business as may properly come before the meeting.

Members of the public may attend the meeting at any of the above locations or via the video conference which can be accessed at <https://www.nyserda.ny.gov/About/Board-Governance/Board-and-Committee-Meetings>.

The Authority will be posting a video and a transcript of the meeting to the web as soon as practicable after the meeting. The video and transcript will be posted at <http://www.nyserda.ny.gov/About/Board-Governance/Board-and-Committee-Meetings>.



Peter J. Costello
Secretary