

NEW YORK STATE ENERGY RESEARCH AND DEVELOPMENT AUTHORITY

Minutes of the 211th Meeting

Held on October 3, 2011

Pursuant to notice and an agenda dated September 21, 2011, the 211th meeting of the New York State Energy Research and Development Authority (“Authority” or “NYSERDA”) was convened on October 3, 2011, at 12:00 p.m., in the Authority’s Albany Office at 17 Columbia Circle, Albany, New York; by video conference in the Authority’s New York City Office at 485 Seventh Avenue, 10th floor, New York, New York; and by video conference in the Authority’s Buffalo Office at 726 Exchange Street, Suite 821, Buffalo, New York.

The following Members of the Authority were present in Albany, unless otherwise indicated:

Vincent A. DeIorio, Esq., Chair

George F. Akel, Jr.

Robert B. Catell (by video conference in New York City)

David D. Elliman (by video conference in New York City)

Garry A. Brown

Joe Martens

Elizabeth W. Thorndike, Ph. D.

Kevin Burke

Mark A. Willis (by video conference in New York City)

Members Joan McDonald and Michael Townsend were unable to attend.

Also present were Francis J. Murray, Jr., President and CEO; Robert G. Callender, Vice President for Operations and Energy Services; Janet Joseph, Vice President for Technology and Strategic Planning; Jeffrey J. Pitkin, Treasurer; Hal Brodie, Esq., General Counsel and Secretary; David A. Munro, Deputy Counsel; Cheryl L. Earley, Director of Contract Management; and various other members of the staff of the Authority. In addition, Paul Krekeler of the NYS

Department of Transportation and Michael Bailey of the Village of Malverne were in attendance at the Albany and New York City locations respectively.

The Chair called the meeting to order and noted the presence of a quorum. The meeting notice and agenda were mailed to the Members and press on September 21, 2011. He directed that a copy of the notice and agenda be annexed to the minutes of the meeting.

The Chair asked Francis J. Murray, Jr., the Authority's President and CEO, to address the Members. Mr. Murray updated the Members on the numerous activities of the Authority over the last couple of months, including the following:

Hurricane Irene and Tropical Storm Lee- NYSERDA has implemented several activities to assist victims in the aftermath of these storms. These activities were described later in the meeting.

Regional Economic Development Councils- Governor Cuomo is launching ten Regional Economic Development Councils, each of which is co-chaired by prominent members of both the academic and private sector community in that region. Councils will develop strategic visions and plans to guide economic development and will serve as single points of contact for state-funded economic activity in each region. One important component is the Consolidated Funding Application, or CFA, which is designed to provide "one-stop shopping" for applicants seeking state assistance. The initial CFA includes seven state agencies and authorities, including NYSERDA. About \$75 million of NYSERDA's commercial and industrial program funds will be available through the CFA process. Importantly, NYSERDA will make all final decisions as to which applicants receive funds from the Authority. NYSERDA is helping staff each of the 10 Councils, as are the other involved agencies. Bob Callender is heading up NYSERDA's efforts, assisted by numerous staff.

Mr. Murray also noted that former president Bill Clinton was the keynote speaker at a forum on Regional Economic Development Councils, and he laid out a few of his ideas for economic development. Notably, President Clinton identified energy efficiency as a top

economic development priority, and he specifically mentioned the recently-enacted “on-bill recovery” legislation that NYSERDA and DPS staff are working hard to implement.

SBC/EEPS Funding- The Public Service Commission is expected to rule on requested extensions of both of these programs at its October 2011 session.

Power New York Act of 2011- The Governor signed this legislation on August 4, 2011. The law (1) reestablishes a process for the siting of energy generation sources 25 megawatts or larger; NYSERDA’s Chairman is a member of the siting board; (2) establishes an “on-bill recovery” program, which will allow residential and small commercial customers to repay the cost of energy efficiency improvements through their utility bills; and (3) directs NYSERDA to conduct a study of options for increasing the amount of photovoltaic generation in New York. The study must be submitted to the Governor and Legislature by January 31, 2011, to enable the Legislature to consider the study during next year’s legislative session.

Cleaner Greener Communities- This program, linked to the Regional Economic Development Councils, will emphasize environmental sustainability through smart growth, creating green jobs, building green infrastructure, and strengthening environmental justice and protection. NYSERDA has issued a solicitation of \$10 million, seeking proposals from municipalities within the State’s ten economic development regions for development of regional sustainability plans. These plans will facilitate the development of a statewide sustainability planning framework to aid in infrastructure investment decision-making.

RPS program- Through competitive solicitations, Renewable Portfolio Standard program funding of \$872 million has been committed in support of 52 larger-scale, grid-connected renewable energy projects having a rated capacity of 1,887 MW made up of 7 landfill gas, 5 biomass, 23 hydro and 17 wind projects. Another \$150 million is available under a currently open solicitation, and contract awards are expected as early as December 2011. The Governor recently announced another \$30 million in grants for customer-sited renewable resources under the Geographic Balancing Program, a program designed to encourage larger customer-sited projects in the downstate region that addresses an imbalance between the collection of RPS

funding and project locations. Funded projects are all located in the downstate region and involve several solar projects.

ARRA Appliance Rebate program- Separate from the program offered to storm victims, over Labor Day NYSERDA offered rebates for energy efficient refrigerators; \$3.5 million was awarded over a three day period.

Brookings Institute report- The Brookings Institute issued a study this past summer entitled “Sizing the Clean Economy- a National and Regional Green Jobs Assessment.” The report stated that New York State was well ahead of many other states and ranked the Capital Region first in the nation when measuring the number of green jobs as a percentage of overall employment in the region.

ACEEE announcement- The American Council for an Energy-Efficient Economy will shortly be issuing its annual scorecard on states’ progress with regard to energy efficiency. Last year, New York was ranked fourth, but Mr. Murray said he expects that ranking will improve. Additionally, NYSERDA’s efforts will be singled out in the upcoming report.

The Chair then called upon George Akel, Chair of the Program Planning Committee (“PPC”). Mr. Akel reported that at the PPC meeting on September 19, 2011, NYSERDA Treasurer Jeff Pitkin described proposed revisions to the Authority’s Budget for Fiscal Year 2011-12 (“Revised Budget”), which was originally approved at the January 2011 Board meeting. Mr. Akel stated that overall, the Budget was revised to reduce total expenditures by \$67.7 million (9%) from \$760.6 million to \$692.9 million. Mr. Akel covered a few high-level items:

- The majority of this decrease, \$65.5 million, is due to reductions in anticipated program expenditures. Principally, these reductions reflect adjustments to expenditures funded with System Benefits Charge (SBC), Energy Efficiency Portfolio Standard (EEPS), Regional Greenhouse Gas Initiative (RGGI), and Federal American Recovery and Reinvestment Act (ARRA) grant funding based on historic spending rates. In addition, research and development (R&D) expenditures were reduced due to a cancellation of one

of the cellulosic ethanol pilot facility projects funded from State Capital Budget re-appropriations from 2006-2007. These reductions were offset by an increase in expenditures projected for the Renewable Portfolio Standard (RPS) based on projected expenditures for Main Tier solicitations issued to date and those from the Customer-Sited Tier programs.

- The budget for salaries was decreased by \$565,000 (2%) due to staffing vacancies.
- The budget for fringe benefit costs was reduced by \$689,000 (5%) primarily due to a reduction in the New York State Retirement System pension contribution payment which will be lower than originally anticipated.
- Other Operating Costs were decreased by \$811,000 (11%) primarily due to reductions in travel costs and also deferral or elimination of certain planned information technology projects.
- The revisions result in a projected balance of unrestricted net assets of \$3.25 million at the end of the year, a \$40,000 increase over the balance as of March 31, 2011. Mr. Akel reported that NYSERDA staff believes this balance allows for an appropriate level of funding to address short-term unforeseen expenditures and allows NYSERDA to use limited unrestricted revenues to fund critical programs.

Mr. Akel then concluded his presentation on the Revised Budget by stating that the PPC recommended that the Members adopt the resolution approving the Revised Budget.

The Chair then asked Dr. Thorndike to report on the portion of the Revised Budget considered by the Waste and Facilities Management Committee (“W&FMC”). Dr. Thorndike stated that for the West Valley program the revised Budget did not change the total program expenditures, which remain at \$15,310,000. However, minor changes among the expenditure categories are included, principally due to changes in indirect costs. Additionally, the Revised Budget includes an increase of \$5,000 in the Low-Level Radioactive Waste appropriation which

reflects a restoration of prior year budget cuts. The Energy Analysis program budget includes \$150,000 to meet requirements under the State Low-Level Radioactive Waste Management Act of 1986 for collecting information and providing regular reports to the Governor and Legislature on Low-Level Radioactive Waste generation in the State. That \$150,000 amount is funded with a State appropriation sub-allocated from an appropriation provided to the NYS Department of Health, which is funded through an assessment collected on operating nuclear power plant licensees. Minor changes among expenditure categories are included due to the increase in the appropriation.

Dr. Thorndike concluded her presentation on the Revised Budget by stating that the W&FMC recommended that the Board approve the revised Budget for the West Valley Site Management Program and Radioactive Waste Policy and Nuclear Coordination activities.

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

Resolution No. 1315

RESOLVED, that the Fiscal Year 2011-12 Budget and Financial Plan (Revised September 2011) submitted to the Members for consideration at this meeting, with such non-material, editorial changes and supplementary schedules as the President and CEO, in his discretion, may deem necessary or appropriate, be and it hereby is approved.

The Chair then asked Mr. Akel to report on the Preliminary Spending Plan and the State Appropriation Request for Fiscal Year 2012-13. Mr. Akel stated that at the PPC meeting Mr. Pitkin further reported on NYSERDA's State Appropriation Request for the next fiscal year which is submitted annually to the Division of the Budget (DOB) and sets forth the Authority's request for State appropriations.

For FY 2012-13, the Authority is requesting appropriations totaling \$32,397,000, a \$707,000 (2.2%) increase from the FY 2011-12 enacted State Budget appropriations. The increase is attributable to the need for additional funding for West Valley which was addressed by the Waste and Facilities Management Committee. No change is included in the request for

the R&D and Energy Analysis program areas, consistent with directives from the DOB that requests not include increases in appropriations.

The State Appropriation Request also includes requests to re-appropriate amounts included in the State FY2011-12 State Capital Budget but not fully expended through March 31, 2012 for a variety of energy and environmental projects. Based on additional expenditures, the amount requested for re-appropriation is about \$30.9 million.

The Preliminary Spending Plan for FY2012-13 includes all revenues and expenses by program area. Overall, the Plan estimates total expenditures at \$722.6 million, an increase of \$29.7 million (4%) over the FY2011-12 Revised Budget. The increase is primarily due to an increase in Program Expenditures of \$29.3 million. Increases are principally for expenditures funded with EEPS and RGGI funds, offset in part by lower expenses funded with ARRA grant and RPS funds. These estimates assume continued SBC and EEPS funding beyond 2011 at current levels. This is dependent on upcoming Commission orders, and adjustments will be made accordingly pursuant to those orders, expected in the Fall of 2011.

The preliminary spending amount for Salaries and Benefits reflects annual salaries for all staffing positions budgeted in the revised FY11-12 Budget. The Plan does not include any amounts for cost of living adjustments or performance-based salary increases, assuming that these will not be approved for State Management/Confidential employees for the next fiscal year.

The Preliminary Spending Plan projects the balance of unrestricted net assets at the end of the fiscal year at \$3,292,000. Staff believes this amount to be an appropriate level of funding to address short-term unforeseen expenditures and allows the Authority to use limited unrestricted revenues to fund critical programs.

Mr. Akel reported that PPC Members and staff engaged in a general discussion regarding the funding for the various program portfolios, such as the RPS and EEPS. The discussion addressed questions by the Committee regarding the timing of collections from ratepayers and funding commitments made by the Authority, as well as what flexibility, if any, the Authority

has with regard to shifts between portfolios or specific programs within portfolios. During the PPC meeting, the Committee also engaged in a discussion that stemmed from issues raised during the September 15 meeting of the Public Service Commission. The discussion centered around how to fund Combined Heat and Power (CHP) initiatives without necessarily increasing ratepayer collections to fund SBC initiatives. This led to a consensus by the PPC to support the Officers' position that the Authority's proposed funding of the Technology and Market Development program portfolio (SBC IV) should not result in increased ratepayer collections.

Mr. Akel concluded his report by stating that the PPC recommended that the full Board adopt the resolution regarding the Authority's State Appropriation Request for Fiscal Year 2012-13.

The Chair then asked Dr. Thorndike to summarize the W&FMC deliberations on next year's budget. Dr. Thorndike explained that the State Appropriation Request for fiscal year 2012-2013 includes an increase in funding requested for the West Valley program from \$15,310,000 to \$16,017,000. The majority of this increase is based on NYSERDA's required share of costs under the Demonstration Project and the Consent Decree (primarily Phase 1 Study Costs), offset by a decrease in costs for managing the State Licensed Disposal Area (SDA). The majority of the funding (\$10.1 million) is based on the required cost shares. The balance of the funding (\$5.9 million) includes costs: to maintain regulatory compliance; to provide public health and safety protection for the State's obligations at the SDA; and to support Phase 2 decisions and other non-project expenditures at West Valley, including outside legal counsel.

For the Low-Level Radioactive Waste program, the funding request of \$150,000 is expected to be provided from an appropriation which is funded from an assessment on operating nuclear power plant licensees.

Dr. Thorndike concluded by stating that the W&FMC recommended that the Board approve the proposed State Appropriation Request for West Valley and Radioactive Waste Policy and Nuclear Coordination activities for Fiscal Year 2012-13.

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

Resolution No. 1316

RESOLVED, that the proposed State Appropriation Request for Fiscal Year 2012-13 submitted to the Members for consideration at this meeting, with such non-material, editorial changes and supplementary schedules as the President and CEO, in his discretion, may deem necessary or appropriate, be and it hereby is approved for submission to, and at the request of, the New York State Division of the Budget.

Chair DeIorio then asked Dr. Thorndike to continue her report on discussions at the W&FMC meeting. Dr. Thorndike explained that the Committee received a status report from Director Paul Bembia on West Valley Site Management Program activities. Dr. Thorndike reported on a few of the highlights, and advised that a more complete discussion would be included in the minutes from the W&FMC meeting.

The first item Mr. Bembia covered pertains to Federal Funding for the West Valley Demonstration Project for Federal Fiscal Year 2012.

- The Senate Appropriations Committee met on September 7, 2011. The total funding recommended for the West Valley Demonstration Project by that Committee is only \$60 million.
- The initial House Bill for FFY 2012 also included only \$60 million for West Valley. However, on July 14, 2011 an amendment introduced by New York Representatives Brian Higgins and Tom Reed added \$41 million to the Non-Defense Environmental Cleanup account (the account used to fund the West Valley appropriation). DOE-WV representatives were hopeful that West Valley could receive between \$15 million and \$31 million of this additional funding, meaning that the House would be targeting as much as \$75 million to \$91 million for West Valley.
- The additional funds would be used to move the High-Level Waste canisters out of the Main Plant Process Building to a new Interim Storage Facility. Those canisters

must be moved before the highly contaminated Main Plant building can be demolished.

- The cost for the new High-Level Waste Interim Storage Facility is estimated to be between \$70 million and \$100 million over a three-year period. Because safe site operations are presently running at about \$20 million per year, a \$60 million annual appropriation would leave little money for cleanup activities at the site over the next three years.
- In visits with staff of the Congressional Delegation over the last year, and in correspondence with the Department of Energy, NYSERDA has consistently requested \$85 million for West Valley for FFY 2012 to maintain positive momentum on the cleanup.
- The full Senate has not yet taken up funding for West Valley.

Next, Mr. Bembia advised that DOE has hired a new Prime Contractor, CHBWV, which took over site operations on August 29, 2011. This is a \$333 million, six-year contract that includes significant decommissioning work at the site, including the relocation of the High-Level Waste canisters from the Main Plant Process Building to a new on-site HLW Storage Facility; removal of the Main Plant Process Building, Vitrification Facility, lagoons and a number of support facilities; management of the site's underground waste tank farm; and operation and maintenance of site facilities and infrastructure.

Mr. Bembia also addressed the status of Phase 1 Studies. NYSERDA's West Valley staff continues to work with DOE to initiate the Phase 1 Studies, which are scientific studies intended to evaluate the concerns NYSERDA identified during the preparation of the Decommissioning Environmental Impact Statement. NYSERDA and DOE are working to resolve these issues before decisions are made in 2020 on the next phase of decommissioning activities.

The next item addressed by Mr. Bembia was DOE's Asset Revitalization Initiative, previously called the Energy Parks Program.

- Early this year, Congress authorized DOE to allow the establishment of energy parks at DOE defense sites as a way to reuse existing assets as cleanup projects wind down. In response, DOE has established an “Asset Revitalization Task Force” to explore reuse opportunities. The task force will make recommendations to DOE management and Congress by the end of this year.
- Although DOE does not consider West Valley to be a defense site, DOE and NYSERDA have been working to include the site in the Asset Revitalization program. The DOE-West Valley Director has been in communication with members of the Asset Revitalization Task Force, and NYSERDA staff prepared and submitted an initial asset inventory for the site. Since this was a congressional initiative, the Ashford Town Board has been in communication with the Western New York Congressional delegation to see if they can help to ensure that West Valley will be considered in this program.

Mr. Bembia also advised that the West Valley Citizen Task Force (CTF) is discussing the issue of High Level Waste and spent fuel interim storage at West Valley.

- At the July CTF meeting, the Ashford Town Supervisor, who is a CTF member, discussed the draft report from the Blue Ribbon Commission on America's Nuclear Future. This Commission was established by President Obama after the Yucca Mountain Repository project was halted. Its purpose is to conduct a comprehensive review of policies for managing the back end of the nuclear fuel cycle. The report includes a recommendation for developing a small number of regional spent fuel storage facilities to provide for consolidated High-Level Waste and spent fuel storage until a High-Level Waste repository can be constructed.
- The Ashford Town Supervisor stated at the CTF meeting that he wants to see West Valley "totally cleaned up," and he suggested that if West Valley agrees to host a regional spent fuel storage facility, perhaps money from the Nuclear Waste Fund could be used to clean up the site. Because the vitrified High-Level Waste will be stored for decades at West Valley in a new High-Level Waste interim storage facility,

he suggested that it may make sense to store other waste, if it could bring in enough money to clean up the site. This might mean, for example, transporting and storing spent fuel from commercial nuclear facilities in New York and elsewhere, such as Indian Point.

- Several CTF members were wary of the concept and expressed the concern that once the waste was brought in, there is no guarantee that it will ever leave. The Supervisor said that he agrees with that concern, but he still believes that the idea should be discussed further by the CTF.
- New York State has not taken a position on this issue.

Mr. Bembia's final item was an update on efforts to release property from the Nuclear Regulatory Commission license for the Center.

- NYSERDA's West Valley staff initiated work last year on a project to release the empty and unused Bulk Storage Warehouse (BSW) and approximately 200 acres of adjacent undeveloped Center property in three separate parcels from the Nuclear Regulatory Commission Part 50 license. This was being done to make these areas available for possible public reuse without waiting for decades until the entire WVDP cleanup is completed.
- Last fall, as part of the release project, NYSERDA's environmental support contractor collected samples of sludge from the BSW septic tank. The septic tank sludge samples showed very low levels of plutonium and americium at concentrations that are slightly above background. These are levels well below NRC cleanup criteria, so this does not represent a public health and safety concern.
- However, there may be some implications to the property release project, because:
 - NRC's process for releasing property from the license early is only for unimpacted areas. This means areas with no reasonable potential for residual radioactivity in excess of natural background or fallout levels. Sample results that

are above background may preclude the BSW from being released under the NRC process for non-impacted property.

- If the BSW is eliminated from the property release project, NYSERDA may reevaluate the project, because the Town Board has advised that the warehouse was likely to be most attractive in terms of reuse.
- NYSERDA staff will be discussing this issue with the NRC later this Fall.

Dr. Thorndike stated that there was no report on issues relating to radioactive waste and nuclear coordination, as staff advised that there are no new developments. However, prior to the W&FMC meeting, Dr. Thorndike asked staff for an update on Low-Level Radioactive Waste compacts in light of news that has emerged recently about the Texas Low-Level Radioactive Waste site. NYSERDA employee Alyse Peterson advised that the Texas site is still moving forward as planned, and it is expected to open in October 2011. Out-of-compact generators, including New York, could have access to the site subject to requirements currently being prepared by the Texas Compact. Ms. Peterson expects to receive full details at an upcoming Low-Level Radioactive Waste Forum meeting. Dr. Thorndike advised NYSERDA that there is presently some controversy about the adequacy of the site, and New York State should remain cautious and informed if it is considering sending waste to this site.

Finally, Dr. Thorndike reported that she had an opportunity to attend the West Valley Citizen Task Force's September monthly meeting. Dr. Thorndike stated that the manner in which the CTF operated was a model of citizen participation, and she expressed an interest in having someone in academia author a "case study" of the CTF's work.

Kevin Burke asked whether New York State had taken any position regarding the recommendation of the Blue Ribbon Commission that regional spent fuel storage facilities be developed to provide for consolidated High-Level Waste and spent fuel storage until a High-Level Waste repository can be constructed. President Murray responded that the State has not taken any position on this issue.

The Chair indicated that the next item on the agenda was the periodic procurement contracts report, presented by Cheryl Earley, Director of Contract Management.

Ms. Earley stated that pursuant to Public Authorities Law Section 2879, the Members are requested to adopt a resolution approving the Periodic Procurement Contracts Report, which covers the period May 16, 2011 through August 15, 2011. The report summarizes 860 procurement contracts exceeding \$5000 that were initiated or modified during this period. Over 96% of the procurement contracts were competitively selected and 99% of the dollars committed resulted from competitive procurement. All of the actions were in compliance with the procurement contract guidelines. The report also summarizes an additional 747 procurement contracts that are expected to be executed by the Authority that have a period of expected performance in excess of one year. These contract actions total approximately \$225 million.

In addition, Ms. Earley stated that the Members have been provided with a periodic report on Authority compliance with Article 15-A of the Executive Law, which requires public authorities to make a good faith effort to solicit active participation by Minority and Women-Owned Business Enterprises (“M/WBE”) in certain contracts. Eleven contracts subject to Article 15-A were initiated or modified during the reporting period, representing 27% of the total number of 15-a Qualified Contracts and 12% of the aggregate committed amount.

The Chair advised that Counsel’s office has compared the lists provided by Members of entities with which each Member is associated and which he or she believes may enter into contracts with NYSERDA to the list of contracts in the Periodic Procurement Report. Counsel’s office reports just a few potential conflicts. Specifically, the Authority has entered into or anticipates entering into contracts with Central Hudson Gas & Electric, Consolidated Edison Solutions, and Consolidated Edison Company, identified by Garry Brown; Consolidated Edison Solutions and Consolidated Edison Company, identified by Kevin Burke; various SUNY campuses and affiliates, identified by Bob Catell; the Center for Environmental Information, Cornell University, the University of Rochester, and Paul Smith’s College, identified by Liz Thorndike; and New York University and JP Morgan Chase, identified by Mark Willis.

Whereafter, upon motion duly made and seconded, and by voice vote of the Members present, the following resolution was adopted. Mr. Brown, Mr. Burke, Mr. Catell, Dr. Thorndike, and Mr. Willis each abstained from the vote solely with regard to contracts involving the respective entities identified by each of them above.

Resolution No. 1317

RESOLVED, that the Periodic Procurement Contracts Report, covering the period May 16, 2011 through August 15, 2011, 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(3)(b)(ii).

The Chair stated that the next agenda item was a report from NYSERDA program staff on the Authority's response to Hurricane Irene and Tropical Storm Lee. Adele Ferranti, a Program Manager in the Residential Energy Services program, explained that New York State residents who will be replacing or have replaced essential appliances or equipment that were lost or damaged because of the hurricane or storm may qualify for cash rebates through NYSERDA's Storm Relief Rebate Program for the purchase of eligible ENERGY STAR® qualified or high-efficiency appliances or equipment. Applicants must attest that the full cost of the appliance and/or the installed cost of equipment is not covered in full by insurance or FEMA grants. If payments from FEMA or an insurance company do not cover the entire cost of replacement for the damaged appliance or equipment, the NYSERDA rebate will be available to apply to the balance. As of October 3, 2011, NYSERDA had received applications from 5,331 individuals for 8,926 appliances totaling \$4,285,700. Ms. Ferranti explained that NYSERDA was using \$8 million in uncommitted Federal Recovery Act funds for the Rebate program.

Next, Karen Hamilton, director of the Residential Energy Services program, explained changes to the EmPower program, noting that low income households who were impacted by Hurricane Irene and Tropical Storm Lee are of particular concern. Virtually none of these households had flood insurance, as it is too expensive. In particular, there were many low income households living along the Susquehanna River in the Binghamton area that were severely impacted. Ms. Hamilton stated that NYSERDA staff worked closely with, and had full

support of, Department of Public Service staff to determine what the Authority could do to best provide assistance. She explained that as many of NYSERDA's programs transitioned from SBC to EEPS, program rules also changed to ensure that the most cost-effective savings were being acquired. However, NYSERDA has some older SBC funds that are being disencumbered from projects, and NYSERDA is rolling back program rules in order to provide services previously available under SBC, such as health and safety measures and hot water tanks and newer (less than ten years old) refrigerators. This is important as many homes will be dealing with mold. Ms. Hamilton also stated that NYSERDA is allowing households previously served by the program to receive repeat services. Staff are coordinating with the NYS Division of Housing & Community Renewal's Weatherization Assistance Program and the Office of Temporary Disability Assistance to ensure that NYSERDA is providing the most comprehensive services at no cost to the low-income household.

Brian Platt, a Program Manager in the Energy Efficiency Services program, explained that NYSERDA is planning an Agriculture Disaster Program to assist flooding victims. NYSERDA staff is coordinating with the Public Service Commission, Department of Public Service, Department of Agriculture and Markets, and National Grid. Staff is also communicating with NYSEG and RG&E to see if they will operate a program. Farms damaged by Hurricane Irene or Tropical Storm Lee will be eligible. Farms will be reimbursed 100% of repair/replacement costs for electric and natural gas using systems and equipment which include energy efficient measures. Reimbursement will be net of insurance or Federal aid. However, research by the Department of Agriculture and Markets and NYSERDA indicates little or no Federal grant aid or insurance coverage is expected to be made available for farm processing infrastructure. Farm aid and insurance generally revolves around only crops and soil/erosion repair. NYSERDA expects to make available \$4.2 million to affected farms.

Finally, Program Manager Charles Wesley described how numerous employees of NYSERDA's Energy Analysis program helped staff the desk at the State Office of Emergency Management (SEMO) in response to these storms. NYSERDA, as one of 34 member agencies of the NYS Disaster Preparedness Commission, is required to staff the Energy Desk at the Emergency Operations Center of SEMO during specific event activations. Mr. Wesley

explained that NYSERDA is responsible for Liquid Petroleum Fuels such as gasoline and heating oil, as well as an understanding of the status and condition of the infrastructure that provides these fuels (pipelines, terminals, barges, trucks). NYSERDA is similarly responsible for coal. The activation began Friday, August 26 at 8:00 AM and ended on Tuesday, September 6 at midnight.

- At the start this was a 24/7 activation of unknown duration.
- The initial response was handled by 3 staffers working 12 hour shifts.
- Beginning the 3rd day SEMO shifted to 8 hour shifts and more staffers.
- Over 12 days of activation Energy Analysis (EA) used 21 staffers.
- EA turned this event into an excellent training opportunity.

The Chair advised that NYSERDA staff contacted each of the Members' offices and provided meeting dates for Board and Committee meetings in 2012 in order to have the dates marked on Members' calendars. The Chair encouraged everyone to keep those dates reserved so that the Board can obtain the quorums needed to do business, as well as have the benefit of the participation and expertise of as many Members as possible.

The Chair then asked if there was any further business. Thereafter, there being no other business, upon motion duly made and seconded, and by unanimous voice vote of the Members, the meeting was adjourned.



Hal Brodie
Secretary



New York State Energy Research and Development Authority

Vincent A. DeIorio, Esq., *Chairman*

Francis J. Murray, Jr., *President and CEO*

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September 21, 2011

NOTICE AND AGENDA

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

PLEASE TAKE NOTICE that a regular (the 211th) meeting of the New York State Energy Research and Development Authority will be held in the Authority's Albany Office at 17 Columbia Circle, Albany, New York, and by video conference in the Authority's New York City Office at 485 Seventh Avenue, 10th floor, New York, New York, and by video conference in the Authority's Buffalo Office at 726 Exchange Street, Suite 821, Buffalo, New York, on Monday, October 3, 2011, commencing at 10:30 a.m., for the following purposes:

1. To receive from the Program Planning Committee and the Waste and Facilities Management Committee reports concerning, and to consider and act upon a resolution approving, revisions to the Authority's Fiscal Year 2011-12 budget.
2. To receive from the Program Planning Committee and the Waste and Facilities Management Committee reports concerning the Authority's Fiscal Year 2012-13 Preliminary Spending Plan and the Authority's State Appropriation Request For Fiscal Year 2012-13, and to consider and act upon a resolution approving the State Appropriation Request for Fiscal Year 2012-13.
3. To receive from the Waste and Facilities Management Committee a report on additional activities related to West Valley Site Management and Radioactive Waste Policy and Nuclear Coordination.
4. To consider and act upon a resolution approving a periodic procurement contracts report.
5. To receive a program report on one of the Authority's ongoing programs.
6. 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. In accordance with guidance from the Office of Taxpayer Accountability, the Authority will be posting a video of the meeting to the web within two business days of the meeting. The video will be posted at <http://www.nyserda.org/governancemeetings2.asp>.

Hal Brodie
Secretary

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