

250th Meeting of the NYSERDA Board
February 3, 2021
Clean Transcript

Peter Costello:

The recording has started. Okay, Richard, you are good.

Richard Kauffman:

Okay. Thank you. I call this meeting to order. This is the 250th, 200, excuse me. The 250th meeting of the New York State Energy Research and Development Authority. Notice of the meeting was provided to the members and to the press on January 15th, 2021, and a revised notice was provided to the members on January 25th, 2021, and to the press on January 26th, 2021. I directed a copy of the notice and agenda, and the revised notice be annexed to the minutes of this meeting.

Welcome to the meeting. This meeting is being conducted by video conference. The Authority will post a video and a transcript of this meeting on the web. To confirm that we have a quorum, I would like to ask the Authority's Secretary, Peter Costello, to conduct your roll call of each of the members in attendance. Peter?

Peter Costello:

Thank you, Mr. Chairman. I will first note your attendance and now take the remainder of the roll call. When I call your name, please indicate present. Authority Vice-Chair Gil Quiniones .

Gil Quiniones:

Present.

Peter Costello:

Thank you. Shere Abbott.

Shere Abbott:

Present.

Peter Costello:

Ken Daly.

Ken Daly:

Present.

Peter Costello:

Commissioner Dominguez, Commissioner Dominguez. I see that you're still on mute. Okay. I'll circle back, Kate Fish.

Kate Fish:

Present.

Peter Costello:

Thanks Kate. Jay Koh.

Jay Koh:

Present.

Peter Costello:

Thanks Jay. Chair Rhodes.

John Rhodes:

Present.

John Rhodes:

Present.

Peter Costello:

Commissioner Seggos.

Basil Seggos:

Present.

Peter Costello:

Mark Willis.

Mark Willis:

Present.

Peter Costello:

Commissioner Dominguez, can we try you again, John, if we could work with Commissioner Dominguez. In any event, we do have a quorum. Mr. Chairman, you can proceed.

Richard Kauffman:

Thank you. The first item on the discussion agenda is a report from the Authority's Acting President and CEO, Doreen Harris. Doreen?

Doreen Harris:

Good afternoon, everyone. And my thanks to you for accommodating this revised schedule to our, our meeting. And indeed it has been an incredibly busy few months since we last met. And I'm pleased to report on some very significant milestones in the both national and state context as to work that has been proceeding since October.

Slide, please.

Indeed. We are now operating under the leadership of President Biden and Vice President Kamala Harris. Who of course were sworn in earlier in this year in January and in doing so, it is important for, in the context of our important work to note the, the context of the federal government as well as being particularly impactful under this new administration in facilitating much of the work that we as a state and we at NYSERDA are tasked to achieve. And it is true that already President Biden has implemented a number of executive orders to set forth what has been a very ambitious climate agenda. Very based, I would say in many of the principles of New York's Climate Leadership and Community Protection Act. You can see a number of the executive orders, again listed here. I say this in the context

of our work as noting that, of course our work will be in close collaboration with this new administration.

Many, many new, new faces have been appointed or will be, and, and including a number of representatives from New York State, including Ali Zedi, the new Deputy National Climate Advisor, formerly of Governor Cuomo's administration. Along with Amanda Lefton recently announced as the Director of the Bureau of Ocean Energy Management. So, in doing so our work, of course shifts. I will note the late 2020 federal legislation, which was particularly impactful on many of the programs and technologies that we serve as well as being particularly useful from the perspective of this omnibus spending package that is referenced here.

Next slide, please.

And in doing so, one personnel update I had wanted to share, it is a pleasure to note for you that we have repositioned NYSERDA's transition, transportation team under the leadership of David Sandbank. Really a testament to the ability of that portfolio to move into the world of market development from innovation, where it has been housed under the capable leadership of John Lochner for a number of years. And so, my thanks to the entire transportation team and particularly to David for taking on this new task. I will say that it is again a demonstration of the importance of this sector in decarbonizing New York's economy. And of course, is consistent with all of the indicators we are seeing globally, noted here on the slide of course, is the seismic shift by one of the world's largest automakers in, in committing GM to only sell zero emission vehicles by 2035. So, our transportation portfolio changes as the industry changes as well.

Next slide please.

And also, as an update for the members, I wanted to provide what is a tremendous success story for community solar across New York State Wood Mackenzie's latest report lists New York State as rated or as ranked number one in community solar completions, and number two in distributed solar installed year to date and our community solar initiative has more than 533 megawatts installed, and 2100 megawatts in the pipeline. So, a tremendous success certainly, and with respect to soft cost reductions as well, and reducing barriers to its development. But it is true, and it is of course, central to our work with the success the New York Sun community incentives are rapidly becoming fully allocated much more quickly than anticipated. And so I, I say to you that our commitment is of course, to sustain this incredibly important and impactful market that New York is leading. We at NYSERDA are committed to making changes in our approaches to, of course continue our leadership in this regard. And, and I look forward to reporting to you in the coming year as to various approaches that we are advancing in, in sort of recognition of that criticality.

Next slide, please.

Of course, with the beginning of the year comes Governor Cuomo's State of the State address. I hope many of you listened to the week of January 11th, when there was a really important moment for our portfolio in a very specific speech that Governor Cuomo offered with respect to green energy, both as a tool to address climate change, but also as a tool for facilitating the state's economic recovery. And there were many aspects of this speech, which were central to NYSERDA's important work including a couple that I will talk about in just a second around our large-scale renewables portfolio and transmission investments, but also, noting that that's your State of the State address included

investments in community solar for local governments led by NYPA the establishment of a Climate Justice Job Corps by NYSERDA and additional work in affordable housing and a collaboration with NYSERDA HDR and Greenbank on a new initiative called "Raise the Green Roof."

Additional investments in EVs infrastructure were also noted and buses relevant to the transportation portfolio as well. So, it was a very exciting time for us at NYSERDA. Certainly, in this year's State of the State and highlighting perhaps the headline of Governor Cuomo's speech, if you turn to the next slide, he did announce in the speech that New York has made the largest awards for renewable energy ever by a US state. All told, totaling over 4,700 megawatts of capacity between two offshore wind projects, totaling 2,500 megawatts and 24 large-scale land-based projects, totaling 2200 state in this new context. Digging into those awards, of course that NYSERDA was central to.

Next slide, please.

Wanting to highlight the two offshore wind projects that were the subject of our awards. Both to Equinor, who is now a 50/50 joint venture with BP for two projects, Empire Wind 2 and Beacon Wind. Again, now with this announcement, New York's commitment to offshore wind is totaling five projects and active development, and is getting us a long way toward our 9 gigawatts goal. Certainly, established in the CLCPA.

Next slide please.

In addition, what is central to our investments in offshore wind is our investments in our infrastructure and opportunities for job creation and long-term utilization of these facilities for this burgeoning industry. And equally exciting as the awards themselves on the basis of their scale, was the fact that there will be a combined \$644 million investment in ports with a three to one ratio, three private to one public funding, for what is now going to be five different ports serving New York and the broader regions offshore wind industry. Central to this State of the State announcement, was the establishment of tower manufacturing for both offshore and land-based turbines, at the port of Albany, as well as the establishment of a long-term staging installation and operations and maintenance hub at South Brooklyn Marine terminal. And continuing to build on the investments at Port of Coeymans, Port Jefferson and Montauk for ongoing operations as well. So certainly, New York is leading the way, not only in our goals, but also in the investments and achievements thereof.

Next slide, please.

And there was within Governor Cuomo's announcement was the most recent awards for large-scale land-based renewable projects, totaling 22 projects awarded by NYSERDA and two projects awarded by NYPA. You can see on this map the fact that there was a very strong preponderance of solar projects awarded this year. Again, a very significant commitment and a very dispersed geographic impact for these projects combined.

Next slide, please.

When you add it all together, we, as a state have supported almost 100 renewable energy projects since 2018, and I'm looking at this in totality, New York is an undisputed leader in bringing forth renewables toward our, our field CLCPA goals and also bringing forth the investments that you see here.

So impressive would be an understatement and, and a really strong moment for all of us to feel good about as we bring these projects forward.

Next slide please.

In addition NYSERDA has now issued a solicitation for renewables on the basis of an October 2020 Public Service Commission order. The, this program known as tier four, is really quite interesting and exciting because it is focusing on bringing renewable energy into the downstate region of New York City, where we clearly have some of the most challenging conditions from the perspective of air quality climate impacts and a very difficult-to-decarbonize grid. So, as we speak, this RFP is on the streets. Bids are due in May, and we look forward to a very strong, competitive process where in projects that are focusing on this downstate market can bring their best projects to bear through this competition.

And last but not least, next slide, please. It's a note for the members that included within this year's state of the state address, there was a very exciting announcement as to the progress that we at NYSERDA, and broadly we as a state have made in implementing the, one of the programs included in this year's, or in the 2020 Citing Act passed in the budget. And this program known as "Build Ready" puts NYSERDA squarely in the spot of project developer, but really focusing on identifying areas for development that are best suited for the use of underutilized sites for sites that communities themselves nominate, and for sites that ultimately can be made available to the private market for their development. And so, you can see here, we have our first five build ready sites that we are actively advancing, as well as a very strong organization being built around this important program from the perspective of community engagement, ongoing site nomination processes, and the strong support of our team in screening over 400 sites to get to this point. So much to be proud of here with the build ready program and the progress that it has achieved in the past 10 months.

And with that, I certainly haven't hit every point that has happened over the last few months. I know notably the state has made significant points to invest in transmission itself. I know my colleagues Chair Rhodes and President Quiniones would, would certainly speak to the very critical aspects of transmission in facilitating the achievement of our goals. And also, the very important work we've done in releasing studies and advancing actual projects as well. So, all in all a very busy end of 2020 and beginning of 2021. We look forward, of course, to much more in the way of development as we move forward, but I appreciate the opportunity to present the latest to you here today. Thank you.

Peter Costello:

Richard, I think you're on mute.

Richard Kauffman:

I don't think that I am actually.

Peter Costello:

Now we can hear you.

Richard Kauffman:

I was asking if any board members had any questions or comments for Doreen.

Marie Therese Dominguez:

This is Marie Therese Dominguez, I just wanted to say thank you for that great overview Doreen, excellent capture of the incredible work that you all are doing. And Mr. Chairman, just note that my technical difficulties have been overcome and I am now on, on the, on the meeting.

Richard Kauffman:

Okay. Thank you very much.

Doreen Harris:

Thank you, Commissioner.

Richard Kauffman:

Alright Doreen, thank you very much. Thank you very much for the report. The next item on the discussion agenda is the Authority's Budget for Fiscal Year 2021 and 2022. First, I'd like to ask Mark Willis, Chair of the Program Planning Committee to discuss the portions of the budget considered by that committee. Mark?

Mark Willis:

Yes. Thank you, Richard. The Program Planning Committee received a report and recommendation from Treasurer, Jeff Pitkin on the Authority's Fiscal Year 2021 to 2022 Budget and Finance plan. The, the details of which are in your meeting package. Based on the presentation discussion, the Program Planning Committee recommends that the full Board adopt the resolution regarding the Authority's Fiscal Year 2021-2022 Budget and Financial Plan as provided.

Richard Kauffman:

Thank you, Mark. Now I'd like to ask Chuck Bell, Chair of the Waste and Facilities Management Committee to discuss the portions of the budget considered by that committee. Chuck?

Chuck Bell:

Thank you, Richard. The Waste and Facilities Management Committee met earlier today. The committee received a full report from Treasurer, Jeff Pitkin describing the significant fiscal year 2021-22 budget items that relate to the West Valley Site Management program and to radioactive waste policy and nuclear coordination activities. The details of the budget are contained in your board package. Based on Jeff's report, and the materials in the board package, the Committee voted unanimously to recommend that the board approve the budget for the West Valley Site Management program and radioactive waste policy and nuclear coordination activities.

Richard Kauffman:

Are there any questions from the Board on the budget?

Ken Daly:

Richard. I, no questions. It'd still be helpful if maybe Jeff, as we discussed at the Program Planning Committee, could just talk about the impacts of COVID this year on the budgets and potentially into next year. Just kind of a general overarching update on that.

Jeff Pitkin:

Thanks Ken and at the Program Planning Committee, I think it might've been Jay who [inaudible] or yourself, who had asked about COVID impacts and incumbent impacts. I think the question might've

been asked now in a firsthand sense, whether it's had an impact on our portfolio specifically for the Green Bank. And so, the good news there is the Green Bank's portfolio has continued to perform well. Naturally lots of changes in market interest rates, the portion of the Green Bank portfolio, that's at down, that's holding rates. And we were trying, trying to launch a new portfolio will be adjusted into being reflected to those lower rates in our budget revenues for the upcoming fiscal year. So big picture all in all not a, not a, not a large impact on next year's budget or recurrent year performance from COVID.

Ken Daly:

Thank you.

Richard Kauffman:

Thank you, Ken. Other questions?

In that case, we have a motion for resolution number 1606, approving the Authority's budget for fiscal year 2021-2022. When Peter, sorry,

Mark Willis:

So moved.

Basil Seggos:

Second.

Richard Kauffman:

Okay. Thank you. When Peter calls your name, please indicate whether you are a favor by stating "aye" or opposed by stating "no".

Peter Costello:

Thank you, Mr. Chairman, I will first ask for your vote, is my sound okay?

Mark Willis:

Yeah, we hear you.

Peter Costello:

Okay, looks like Richard, who might be having technical difficulties. So, I'll move on to Vice Chair, Gil Quiniones.

Gil Quiniones:

Aye.

Peter Costello:

Thanks Gil, Shere Abbott.

Shere Abbott:

Aye.

Peter Costello:

Chuck Bell.

Chuck Bell:

Aye.

Peter Costello:

Ken Daly.

Ken Daly:

Aye.

Peter Costello:

Thank you. Commissioner Dominguez

Marie Therese Dominguez:

Aye.

Peter Costello:

Kate Fish.

Kate Fish:

Aye.

Peter Costello:

Jay Koh

Jay Koh:

Aye.

Peter Costello:

Chair Rhodes.

John Rhodes:

Aye.

Peter Costello:

Commissioner Seggos.

Basil Seggos:

Aye.

Peter Costello:

Mark Willis.

Mark Willis:

Aye.

Peter Costello:

And Mr. Chairman, give them a minute to see if he comes back. John, have you been able to connect with, with Richard?

John Campagna:

Ralph is calling him now.

Peter Costello:

We'll give it one more minute and then perhaps Vice-Chair, I think we've sent you the run of show. If you do receive that, if you could let us know if you could take over.

Gil Quiniones:

Yeah. Let me, let me just find that. Did you send it to me through email?

Peter Costello:

Yes. I believe Sara sent it.

Sara LeCain:

Yeah.

Gil Quiniones:

Okay. Got it. Hold on.

Basil Seggos:

Don't mess up Gil.

[laughter]

Gil Quiniones:

Sara, you just sent it right? It hasn't hit my inbox yet.

Sara LeCain:

Yeah.

Peter Costello:

Well, while we're waiting, I can confirm that resolution number 1606 approving the Authority's Budget for fiscal year 2021 to 2022 has in fact passed.

Gil Quiniones:

Yeah, I think we have enough votes for that.

Peter Costello:

And that would bring you to number four on the run of show.

Gil Quiniones:

Yeah, it hasn't hit my inbox. I don't know what the still in the internet ether,

Ken Daly:

Maybe why Gil is looking just a quick question for Doreen a real time test for Gil. So hopefully you get that file Gil, but Doreen, you know, couldn't agree more with the comment I know from you and certainly from Gil, around the importance of transmission investment to kind of underpin all the clean energy coming onto the system, but also want to just kind of hear the thoughts now with the state and

the federal government having similar, you know, philosophical leadership as it relates to clean energy? What does that mean in terms of a tailwind for NYSERDA and for New York?

Doreen Harris:

Sure. Yes. I, I, I can't reinforce it strongly enough how much of a tailwind this creates for us I mean, certainly, sorry, I apologize. Certainly, it is true, you know, that we, as you can see from my report today have taken seriously the achievement of our goals regardless and certainly New York marches on, but there are some critical aspects of a new administration on the federal side that, that of course will be tremendously helpful in achieving our goals. You know, our most notable example of that is the leadership that we can now expect from the Department of Interior and specifically the Bureau of Ocean Energy Management, who is the landlord of the, of the ocean from the perspective of offshore wind leasing and permitting as a great example of a very necessary partnership to advance the offshore wind industry. So, there's a great example of an important tailwind to that. We'll see it's, of course, critical to advance these resources responsibly, but it is also important to timely advance projects and leasing itself, which is one of our top priorities. So, it's a good example of it as being particularly impactful to us as a State.

Ken Daly:

Thank you. Excellent example. You may want to grab that phone that might be Richard trying to call back in, so, okay.

Doreen Harris:

Okay. I know, it wasn't. But I will tell you it is, it is true and I, and I don't want to put a Gil on the spot, but I think there are other very good examples from the perspective of the Federal Energy Regulatory Commission that Chair Rhodes would, might want to talk about or otherwise, but I think are also very important precursors and preconditions for our work.
{inaudible} Speak.

Gil Quiniones:

Oh, sorry. I have the, the run of show and I can take over temporarily while the Chair is fixing his technical issues we are item four, right?

Sara LeCain:

Yes, but I do believe that we do have the Chair back

Gil Quiniones:

The Chair back? Great.

Sara LeCain:

I believe Richard. Yeah.

Richard Kauffman:

Do you hear me?

Sara LeCain:

Yes.

Richard Kauffman:

Okay. Yeah. Okay. I don't know if you can see me, but I, I can see you. All right. So, so I don't know, where are we? Are we at Waste and Facilities? Is that where we are now?

Peter Costello:

Correct. That's correct. If you could pick up at number four, that would be great.

Richard Kauffman:

Okay. Very good. All right. Again, apologies for my technical difficulty. The next item on the discussion agenda is a report on the remaining items discussed at the Waste and Facilities Management Committee. And Chuck, if you could do that, please.

Chuck Bell:

Thank you. All right. So we had a nuclear coordination update from Alyse Peterson, she presented a brief report on the status of the nuclear coordination program, provide providing an update on Indian Point's decommissioning. The Indian Point unit three reactor is scheduled for permanent shutdown this coming April, and fuel removal from unit three should be completed in May following, followed by a formal notification to the Nuclear Regulatory Commission of the shutdown and defueling. With that certification submitted, they can never put fuel in the reactor again. With all three units permanently shut down and de-fueled. We can then expect physical decommissioning actions to commence beginning with the dismantlement and segmentation of the unit three reactor vessel and its internal components. Alyse also provided an update on the federal and state proceedings for the sale of Indian Point from energy to limited liability subsidiaries of Holtec International. NRC staff approved this license transfer on November 23rd to take effect after the property transfer between the two companies is completed in April of this year, of next year, excuse me.

That same day NRC approved an exemption request by the plant owner to allow use of decommissioning trust fund monies for costs associated with spent fuel management, and site restoration. There remains an open proceeding for state approval at the Public Service Commission before the license transfer can be finalized and NYSERDA, and other state agencies did submit comments to that proceeding as well. Alyse reported that NYSERDA has continued its role as the state's nuclear coordinator and liaison to the Nuclear Regulatory Commission coordinating the state's review of technical proposals, submitting legal papers in both the federal and state proceedings to express the state's concerns and seeking financial assurance measures to help protect Holtec's ability to complete decommissioning. Should the company experience financial hardship for the existing decommissioning trust funds proven sufficient. Are there any questions from the Board for Alyse?

Okay, thank you hearing none. We also had a West Valley update from Program Director, Paul Bembia. Paul Bembia then provided a brief report on the status of the West Valley program. Paul reported that demolition activities at the West Valley Demonstration Project resumed in July, following the spring New York State on pause work stoppage, and high hazard, radiological decommissioning work inside the main plant process building at West Valley resumed in October. But paused again in November due to rising COVID numbers in Western New York and the emergence of COVID cases in the site workforce. He reported that most Department of Energy and contractor office staff are teleworking.

At the state licensed disposal area, Paul reported that onsite work, including environmental monitoring inspections and maintenance activities continued through the New York State on pause and is continuing today. NYSERDA's West Valley staff continued to telework, except where site or office visits are needed. The committee was pleased, but not surprised to hear that this state dispose, disposal area

continues to be managed safely and in compliance with all regulatory requirements and permit and license conditions. Paul reported that the remedy action to stop water infiltration, infiltration into SDA Trench 14 has been identified to the satisfaction of state and federal regulators. And he estimated that construction will begin in April. He reported that at this time, the Trench 14 leachate is increasing at about one inch per year, but he indicated that the Trench 14 leachate level is 14 feet below the top of the trench. And there is no threat of a release from that trench.

On the Supplemental Environmental Impact Statement or SEIS, Paul reported that work on the probabilistic performance assessments, or PPA, is continuing and that West Valley staff continue to work towards resolving issues with the Department of Energy and the content on the content of the SEIS that are relevant, that are relevant to the probabilistic performance assessment.

Paul reported some good news for the public regarding the West Valley license. Earlier this year, NYSERDA applied to amend the NRC license to update the radiation protection plan and allow NYSERDA to conduct site maintenance on the retained premises. This amendment will be noticed for public comment in 2021. And Paul reported that NYSERDA's also working with federal agencies to identify restricted information in the license, so NYSERDA can provide the public with access to as much of the license as possible.

Paul then reported that the Government Accountability Office on the West Valley Demonstration Project cleanup progress and the disposal of the sites radioactive waste was issued this month. The GAO report states that the DOE has made significant progress on the cleanup, but notes that critical decisions remain. The report calls on Congress to resolve the lack of a disposal path for the West Valley transuranic waste.

Finally, Paul reported that the federal appropriation for the West Valley Demonstration Project for federal fiscal year 2021, is 92.4 million, which includes 88 million in cleanup dollars and 4.4 million from safeguards and security. The appropriation is higher than the 75 million authorization that was included in the West Valley Reauthorization Act to support the safe and efficient demolition of the main plant process building over the next three years. Paul is standing by and available to answer questions if we have any. Mr. Chairman, that concludes my report.

Richard Kauffman:

Thank you very much Chuck. Are there questions for Chuck or for Paul? There being none, let's go to the next item on the agenda, which is a report on the remaining items considered by the Program Planning Committee, the first item from the PPC, I'm sorry, the first item that PPC considered was the Authority's Strategic Outlook for 2021 to 2024. Mark, could you cover this please?

Mark Willis:

Well, Richard, thank you. Thank you very much. The Committee met yesterday and a quorum was present throughout the meeting. Senior Vice President for Strategy and Market Development, Janet Joseph and Director of Performance Management, Jennifer Meissner, on the Authority's recent Clean Energy Fund review. The details of which are in your meeting package. The committee also received a report from the Authority's Acting President and CEO, Doreen Harris, and Senior Vice President for Strategy and Market Development, Janet Joseph on the Authority's Strategic Plan entitled "Toward a Clean Energy Future, a Strategic Outlook, 2021 to 2024". The presentation summarized the Authority's plans and goals for the next three years and the revised vision and mission statement. This included a discussion from Christopher Coll, Director of Energy Affordability and Equity, and Jamie Dickerson,

Deputy Chief of Staff on the Authority's work, Authority's work building an inclusive, clean energy economy, fostering healthy communities, supporting clean energy jobs and accelerating the transition from natural gas to a low carbon future. Further details are included in your meeting package.

Based on the presentation and discussion, the Program Planning Committee recommends that the full Board adopt the resolution, approving the Strategic Outlook for the next three years and the revised vision and mission statement as provided. This concludes my report on this item.

Richard Kauffman:

Are there any questions for Mark? It was really an excellent discussion that we had at the committee. Okay. May I then have a motion for resolution number 1607, approving the Authority's Strategic Outlook for 2021 to 2024?

Mark Willis:

So moved.

Kate Fish:

Second.

Richard Kauffman:

Thank you very much. When Peter calls your name, please indicate whether you are a favor by stating "aye" or opposed by stating "no".

Peter Costello:

Thank you, Mr. Chairman, I will first take your vote.

Richard Kauffman:

Assuming that the technology works this time. I will state loud and clear.

Peter Costello:

Thank you, Mr. Chairman. Vice Chair?

Gil Quiniones:

Aye.

Peter Costello:

Shere Abbott.

Shere Abbott:

Aye.

Peter Costello:

Chuck Bell

Chuck Bell:

Aye.

Peter Costello:
Ken Daly.

Ken Daly:
Aye.

Peter Costello:
Thank you, Ken. Commissioner Domniguez.

Marie Therese Dominguez:
Aye.

Peter Costello:
Kate Fish.

Kate Fish:
Aye.

Peter Costello:
Jay Koh.

Jay Koh:
Aye.

Peter Costello:
Chair Rhodes.

John Rhodes:
Aye.

Peter Costello:
Commissioner Seggos

Basil Seggos:
Aye.

Peter Costello:
And Mark Willis.

Mark Willis:
Aye.

Peter Costello:
Thank you all, Mr. Chairman, the Strategic Outlook has been approved.

Richard Kauffman:

Thank you very much. The next item considered by the PPC was proposed revisions to the Authority's Regional Greenhouse Gas Initiative Operating Plan. Mark, if you can present this item, please.

Mark Willis:

Sure, Richard. The Committee received a report from the Authority's Director for Policy and Regulatory Affairs on proposed revisions to the Authority's Regional Greenhouse Gas Initiative Operating Plan. John Williams presented the program plan for the next three years that includes a balanced budget for that period. In addition, Mr. Williams discussed the various program allocations. Again, there was a helpful discussion here. We learned a little bit more about new additions States that have joined RGGI, and also were resensitized to, to keep that we will continue to see revisions here as the whole decarbonization process takes place. And the allocations will have to obviously be adjusted as they are being adjusted. Now over time, based upon the presentation and discussion, the Program Planning Committee recommends that the full Board adopt the resolution regarding the amendments to the RGGI Operating Plan as provided. This completes my report on the Program Planning Committee meeting. Thank you, Richard.

Richard Kauffman:

Thank you. Other questions from members of the Board on the provisions to the RGGI Operating Plan? In that case, may I have a motion for a resolution number 1608, approving the revisions to the RGGI Operating Plan.

Mark Willis:

So moved.

Kate Fish:

Second.

Richard Kauffman:

When Peter calls your name, please indicate whether you're a favor by stating "aye" or opposed by stating "no".

Peter Costello:

Thank you, Mr. Chairman, if you could please indicate your vote.

Richard Kauffman:

Aye.

Peter Costello:

Thank you. Vice Chair, Quiniones?

Gil Quiniones:

Aye.

Peter Costello:

Shere Abbott.

Shere Abbott:

Aye.

Peter Costello:

Chuck Bell.

Chuck Bell:

Aye.

Peter Costello:

Ken Daly.

Ken Daly:

Aye.

Peter Costello:

Commissioner Dominguez.

Marie Therese Dominguez:

Aye.

Peter Costello:

Kate Fish

Kate Fish:

Aye.

Peter Costello:

Jay Koh.

Jay Koh:

Aye.

Peter Costello:

Chair Rhodes.

John Rhodes:

Aye.

Peter Costello:

Commissioner Seggos.

Basil Seggos:

Aye.

Peter Costello:

And Mark Willis

Mark Willis:

Aye.

Peter Costello:

Thank you all. Mr. Chairman, the RGGI Operating Plan amendments have been approved.

Richard Kauffman:

Thank you very much. The next item on the discussion agenda is a report on the recent activities of the New York Green Bank from its President Alfred Griffin. Alfred?

Alfred Griffin:

Yeah. Thank you, Mr. Chairman, hopefully you all can hear me okay.

Richard Kauffman:

Loud and clear.

Alfred Griffin:

Okay, great. Good afternoon, everybody. Today I will take you through the activities of the Green Bank, but not go through all the detail I typically do from a reporting standpoint because I want to take part of the time to talk about our disadvantaged communities initiatives. But if we can go to the next page, I'll provide a few highlights in terms of our performance. In the third quarter we surpassed 1.1 billion relative investments. We, our current portfolio is 694 million, the Delta between the 1.1 billion in the 694, represents the recycling of capital. We, we invested 87 million in the third quarter across eight transactions. That was a record quarter that followed a rec-, a record previous quarter. So, we were on a roll. And that, that continued into the fourth quarter that you'll hear about in the, in the coming months.

So, we, we, we've certainly have not found clean energy deployment in New York to be slowed back by all the issues related to COVID. And we were able to respond to all the great policy initiatives and all the activity being generated in the state. Another milestone we surpassed in the third quarter was, was with revenues, our cumulative revenues surpassed \$100 million, which is a nice milestone for us. That's versus \$53 million in cumulative expenses for the quarter. We generated 7 million in revenue versus 3.3 million in expenses. So as directed by the Public Service Commission upon our establishment, we continue to be self-sustaining and to grow our capital base. And in addition, our investments are expected to result in \$3 billion of total project investment in New York and reduce CO2 emissions by over 11 million tons. So, we're transforming financing markets, mobilizing capital and reducing greenhouse gases in New York State.

And our pipeline remains strong, over 700, \$700 million as mentioned. We had a very strong fourth quarter that we haven't publicly reported on yet, but will soon. And, and we expect coming quarters to remain strong. So, let's move to the next page and we'll talk about some of our activities and disadvantaged communities.

So, we've had, we've had some successes and we have been putting effort in to our, our investments and, and in 2020 we were able to deploy \$62 million across seven transactions that made NYSERDA's interim disadvantaged communities definition, but we've, we've got to do more. We, under the CLCPA, we're expected to that, that 35% of a forward looking commitment starting 2019 to the, to the end of the CEF. They related to disadvantaged communities and we've made commitments with,

with regard to low and moderate income buildings and as well as electrification and, and efficiency generally.

So, in terms of what we've done and to, to develop our strategy, to have a very significant impact in this space, as we look back into 2020 going into this, you know, into the winter and spring, we were spending time with energy efficiency for all, and the great expertise there to, to think about where we could be most impactful as a result of that. We, we engaged a consultant, went through an RFP process, engaged a consultant, which was an enterprise community partners to help us think about you know, where the, you have basically seen every possible product and every possible segment to help think about where we could be most impactful, where there were gaps and we could still prudently invest our capital. We also worked to, to engage multiple partners in terms of those types of entities that are actively involved in the LMI multifamily housing space in ways where we could partner together, you know, based upon that we're, we are currently in the process of both working on transactions and refining our strategies. Thinking about key ways to, to message and have outreach to the broader market and important constituents. We have made the determination and are in the process of hiring the senior leader of the New York Green Bank team that will be exclusively focused on disadvantaged communities investment.

This, this, this later will, will be someone that is as experienced in investment in the sector and as a, a well-known individual within and within the marketplace, well-known and respected. And this individual will be part of the investment team and report directly to the President of New York Green Bank. And we will be providing dedicated resources to support this individual. And, and then of course the broad on New York Green Bank team will be, will be a resource as well as we continue to, to that deeper, to this important market segment. We're hoping to be in a position by the end of this quarter to to announce who that, who that leader, who that leader will be. As we go into you know, looking over the next, next time several months, we are working to, to pilot on transactions across the affordable housing focus areas that enterprise led us to.

One is pre-development lending, the other is construction and construction to term from loans. Permanent debt and enterprise helped us think about where there are gaps in the current market offerings versus ways we could help unlock more activity, as well as equipment financing. So, we have, we have transactions in our pipeline across those various areas that we're, you know, we're working to, to investigate, underwrite due diligence today. And we, we know when we bring on our leader for this segment will be a very important added resource and evaluate, evaluating these types of transactions. So, we did have nine transactions that fit this, this profile, right now in our active pipeline that the 178. So, we are really starting to have impact. We will continue to develop our success metrics in conjunction with NYSERDA and the disadvantaged communities work being done.

We, we're very actively in discussion with NYSERDA and DPS related to what our strategy will be. And our commitments as we go into fiscal year '21 and '22, we'll be thinking about looking at what's worked and incorporating those learnings and growing from there. And as the definition of a DAC is, is further, further put forth by the climate, climate justice working group, we'll be updating our impact tracking and reporting accordingly. We're looking to get into a lot of scale. We've got the 35% going forward, a \$400 million national commitment going forward. We have this \$150 million commitment related to affordable housing, a \$100 million dollar commitment related to energy efficiency and building electrification. And with the work we're doing with NYSERDA and DPS, in terms of thinking about our strategy and the kinds of milestones we're hoping to achieve if anything, those, those commitments will be, will be going up. That's the goal, that's work that's currently underway.

So we you know, I want to leave, leave the, NYSERDA board with hopefully a clear understanding that we are serious about this. We're putting significant resources against DAC. And we're looking forward to having a real impact and meeting our CLCPA goals as it relates to disadvantaged communities as well as continue to, to, to continue with the good work the team has been putting in place with our NYSERDA colleagues around financing, the deployment of clean energy more generally. So that's, that's my report Mr. Chairman, ha, happy to answer any questions you or others might have.

Richard Kauffman:

I've got a question for Alfred, but I don't want to go first. I'd like to ask my colleagues on the board if they'd like to ask questions.

Kate Fish:

Hi, it's Kate. Hi, Alfred. Thanks for this. It's very exciting. How, what do you anticipate the return with the year end, the investments in in lower income areas, do you, do you anticipate the same level of return as with the other clean energy investments that the bank has made?

Alfred Griffin:

We're expecting, and this was drafted, it has been drafted in our, in our business plan and other CEF materials that we are continuing to pull from to the investment criteria, put forth by NYSERDA, excuse me, by the Public Services Commission at our establishment, that, that our portfolio revenues are saving losses and expenses, which is being self-sustaining that will reduce greenhouse gases. And it will mobilize capital you know, market trends, financing, market transformation. So we were looking to price transactions that, that will in fact where the, where the revenues will be greater than the losses and expenses so that we are not providing subsidy dollars in that regard. We are expecting to be a bit more lenient in terms of you know, would we expect other market actors to relatively quickly step into our shoes, such that our, you know, our, our, our mobilization assumptions may, may go down a bit versus the broader market. That'll give a little more pricing flexibility. These are some, some elements that we're working out right now, and we'll be working out with NYSERDA and DPS on the going forward basis in terms of exactly what those milestones should be. But we, we are seeking to have more flexibility, but still work within our original framework.

Kate Fish:

Thank you.

Alfred Griffin:

You're welcome.

Ken Daly:

Alfred, excellent presentation, and really delighted to see the focus on the disadvantaged communities. My one comment there would be to work with Chair Rhodes and the utilities. I mean, they have such intimate knowledge of those communities. I would just encourage you to partner where we're applicable and appropriate. Also, really nice to see all your metrics from when this started a few years back, it's come a long way, and I think the most important number on all those pages was the emissions reduction. So, so thank you for that. I think my only technical question Jeff covered the kind of project portfolio earlier, but just my credit risk perspective, anything new emerging post COVID or during COVID that would've not been contemplated in a, in a pre COVID world?

Alfred Griffin:

Ken the, the, the, the biggest COVID related issues have really been related to construction timelines and needing to be flexible. And in that regard, is there have been delays and, and, you know, delays both in terms of in some of this has passed us in terms of solar deployment, but, you know, we did, we did provide you know, financing for Saranac Lake Hotel alongside some other lenders and just with construction delays and so forth there. You know, that, that we had delays associated with that we don't, we don't expect there to be long-term implications. We think these are really truly COVID related implications and delays. Beyond that we've we, we've not yet seen impairments related to residential solar where you would have, you know, one would have thought that we may have seen a, sort of a pretty quick response there. We haven't yet seen that. That's something that we'll certainly be monitoring very closely on a going forward basis. It's a, every month that's a key question with the team when we review the portfolio in terms of you know, the faults and delinquencies and so forth, but that's, it's really, it's really on the construction front where we've seen that impact.

Ken Daly:

Great. Thank you.

Alfred Griffin:

You're welcome.

Mark Willis:

Alfred, this is Mark. I have a couple just picking up on the themes of the two previous folks. One is the focus on outcomes. It really is about reduction of carbon here. So, you know disadvantaged communities is a big, big topic here. This is really an issue of making a difference there in terms of carbon not just saying we've done the 25 35 or whatever presents, and I see you're nodding, and I know you understand that, but sometimes we forget the outcome measure here, and we just focus on, you know, the geography or whatever. So I think that, it's good to remind us of. The other one is scale, I, as you know, I've done a lot of work in 3D development to the extent what you do provides opportunities for the private sector to do more because the economics work that allows the work that you do to have a much bigger impact ultimately in those communities. So subsidy may be important. It obviously may be more difficult to underwrite some of these, but in the end, the more we can show this as a good business opportunity for everyone out there to, to help in these communities. Obviously, that would be an extra bonus, so to speak in terms of reaching scalability.

Alfred Griffin:

Agreed, agreed. I think, I think and we thank you for reminding us that it's and Ken as well, that is really ultimately about the outcomes and and, and, and it, and datas and, and, you know, we, we certainly expect our work and that to to we're focusing on those areas where we can scale. And we are hopeful that private capital will follow, but it may, it just may not follow as quickly as in some of the other marketplaces, but we certainly will be looking to achieve mobilization over the term.

Mark Willis:

Thank you,

Jay Koh:

Alfred. If I could, I just wanted to make two quick comments. One is I applaud that performance and please congratulate the rest of the team on the execution here. I think these are important financial milestones in as well as the emphasis on the DAC strategies. Great to see as sort of integrated as the

approach is becoming across NYSERDA overall. The, the two comments I would make are, you know, we've added a strategic area of priority increasing the resiliency of the energy grid as a component of the strategy of rural NYSERDA. and so I encourage you to consider how the green bank's operations can start to account for the resiliency benefits of what you are investing in, because I'm sure there are already benefits to that in terms of storage implications here, microgrid deployments, and so on in the face of these kinds of increasing weather events, for example that are out there and also to consider whether there are areas of expansion of the remit of the Green Bank's actual engagement with the market that will help support that additional strategic focus for the agency as well. But congratulations on continuing to execute on these milestones and really would look forward to the continued expansion of the impact of the Green Bank.

Alfred Griffin:

Thank you, Jay. And we'll we'll, we will we will, we will, we'll put make a priority thinking through the resiliency elements you've, you've brought up.

Richard Kauffman:

Alfred, I have a question about CRA, and if you could just talk a little bit more about the gaps that you see that the Green Bank is selling in that banks are not. And then to the degree to which you, you know, you talked, you touched on maybe more limited market transformation, so maybe you could talk a little bit about what you see as a potential issues about banks not taking up the opportunity. And also maybe the last point is to there's a, as you know, there's an MOU between the Department of Financial Services and, and NYSERDA, and just wondering whether DAC can be part of that agenda.

Alfred Griffin:

Good, good questions. So in terms of the banks, and, you know, some of the, some of the areas of focus for us are areas where there are currently bank lenders, like CRA lenders involved, like in terms of permanent debt. They often go through a CDFI, but those parties are involved, but what we've understood from our work with, with enterprise is that, you know, there are things that are as simple for example, same, it sounds simple, but, you know, once institutions used to doing things the way they're used to doing it, it's sort of hard to do things differently. But for example, you know, when, when projects are being done and you're looking towards the permanent debt, you know, oftentimes there's a 24 month rate lock, because it takes time to, to develop and construct the project, do the work, and then put the permanent financing in place.

And and, and we leave you know, based on enterprise and other market conversations, a like a 36 month rate lock to give the developers more time to get the work done could, could be meaningful in terms of getting them to, you know, to work, to under, to, to unlock greater energy savings. So that's an example of where we, we, you know, we're, we would be playing a similar role to the banks, but offering a longer term rate lock, than the banks are currently offering and ultimately, I would think if, if, if a lot more gets done and it doesn't have a performance impact, you know, one would think the banks would, would change their approach. There, there are, as you think about the pre-development lending, there are financial institutions that, that, you know, do from time to time play a role there, but it's, it's we take you know, a long time conversation to get into the details there, but you have, you have pieces in place where you can have confidence that, that the housing authority, financings and support will, will be in place, but it's not a true contractual commitment, like banks are accustomed to seeing.

And that stepping in a little ahead of where the banks would typically step in we can, we can play a real, additional role in terms of in terms of getting, you know, getting things done. And I, and I

think hopefully with some of the relationships that we're, we're building out with those parties that are regularly, whether, you know, whether it's ACR and NYCHA and others that are regularly interfacing with these various housing communities and, you know, we're, we're calling it direct injection. That's what we're describing it as with with NYSERDA. And and, and the governor recently announced that this model within the state of the state, but you know, where, where there can be a package set of NYSERDA subsidies package with New York Green Bank that that is, is directly available to to, to those parties working with, with HCR.

And I would, I would think there that certainly if we can show that a lot can get done with scale, one would think that the market twice would, would step in and that would lead to market market transformation. I guess in, in terms of the comments that it may be, it may be slower market transformation. I think, I think that's in part that it's just you know, there've been a lot of, a lot of folks working on this, you know, working at this for a long time around the marketplace. And I think until we can demonstrate that there's real scale and you can have consistent scale and, you know, we'll still struggle to see that the capital crowd end, but hopefully, hopefully what we do is going to get us there and as it relates to the MOU with NYSERDA, not, not something that I've thought about at all, but thank you for bringing it up. I think we, we should be working with NYSERDA to see if there there's some, some ways to to provide incentives for the banks to the banks to be, to be more involved. And then that would not. Then I started with the finance authority or whatever they call it in New York. I forget that DFS yet. With DFS, that's a new, that's a new topic for me. So that's something we can follow up with Jeff and others on to, to brainstorm about, but that can be done there.

Mark Willis:

So Alfred I just heard a lot of acronyms in their community reinvestment housing, community renewal got a lot of players. I also heard you talk about what it sounded like a forward commitment of a rate of a permanent loan. I'm not quite sure I understood why it now needs a longer time period than it was, is the energy part of it, then the construction phase longer. And if all that's too much in the, in the weeds, I'm happy to learn more on the side, in a separate conversation here without doing it here, but talking to the right people.

Alfred Griffin:

Yeah, certainly happy to have you know, have, have, have a side, super detailed conversation and Mark that they you know, the thought as, so the permanent debt, in this example is not specifically equipment finance is permanent debt related to the, the, the mortgage or what have you for the bill itself. And, and, and, and this marketplace, there are institutions that will, will provide, you know, permanent debt commitments but have shorter construction periods. And then there's a, you know, typically you have to go back and, you know, you expect {inaudible}, it, you know, it can take more than two years. And that's just something that you see occur over and over and over from what we understand from those in the market and, and a market need is a longer rate lock period. And you know, New York Green Bank with its capital source is, is probably in a fairly unique position to be able to provide that.

Mark Willis:

Right. Okay. I'm sure this has come up with the pension funds provide this service here. In many cases, that's something maybe we can talk to those folks as well controls office.

Alfred Griffin:

Well, we have, and I, we, we, I mean, we understand that that certain pensions may, may have less of an interest in it today than they did a few years ago during

Mark Willis:

That very unfortunate. Right.

Alfred Griffin:

But but yeah, let's, let's, sounds like you've got some experience with us too, so we should pull you into a discussion with our team and, you know, perhaps enterprise to think about what how to best structure this.

Mark Willis:

If I could be helpful, happy to do that. Okay. The, the Community Investment Reinvestment Act by the way is just recently this notice of proposed rulemaking has been issued by the fed, if you guys want to weigh in on it, this is a round of comments that they're looking for in the next couple of weeks. And then there'll be more terms of the reform of, of CRA. There really is nothing in there about climate. It's all about low and moderate income communities, but then maybe some overlap, you know, that would be useful.

Alfred Griffin:

Okay.

Richard Kauffman:

Thanks. Thank you, Mark. In the interest of time, if there are other questions. So now otherwise I have to go on to the next, next side of, on the agenda. Okay, great. So the last side of the item discussion agenda, there's a report on the Authority's Empire Building Challenge from Michael Reed, Program Manager for Advanced Efficiency Solutions. Michael, please.

Michael Reed:

Thank you, Mr. Chair, and just doing a quick sound check. Can you hear me okay?

Richard Kauffman:

Loud and clear.

Michael Reed:

Great. So, I will wait until the PowerPoint is called up, but I'm very excited to talk with you all today about the next generation of high rise, low carbon building. The Empire Building Challenge is a public private partnership to demonstrate low carbon retrofits for tall buildings in New York State. With this program, we will accelerate carbon production commitments from major real estate firms support real world demonstration, advanced technology and help make New York State a global hub for low carbon buildings solutions.

Next slide, please.

We cannot achieve our climate goals until we address the large existing stock of buildings. In New York City alone, there's approximately 3 billion square feet of existing commercial office and multi-family building. And to whomever is managing the slides. I think this is if you just hit next, these stats will

show up. So 3 billion square feet of existing commercial office and multi-family buildings. 70% of buildings in New York state were constructed prior to energy code. And it is likely that at least 90% of these buildings will still be in operation in 2050. Close to half of New York State's energy related greenhouse gas emissions come from buildings. So to achieve our climate goals over the next 30 years, we need large scale adoption of low carbon retrofits by building owners. Now, many building owners are feeling pressure to do more on climate New York State and New York City climate legislation has caught the industry's attention and made the connection clear on how building operations contribute to greenhouse gas emissions, but it's not just regulation. Shareholders, employees, and renters are all raising expectations when it comes to corporate action on climate. So this is a huge opportunity just as Governor Cuomo declared this year, our intents to become the green energy capital of the world. So too, do we have an opportunity to become a global hub for low carbon retrofit?

And this is one of the reasons why the Governor included the Empire Building Challenge in his 2020 State of the State address. According to an analysis done by Urban Green Council, the retrofit market opportunity in New York City alone will increase 13 fold over the next decade and represent more than a \$3 billion annual market opportunity. This will generate over a hundred thousand jobs in a variety of trades, such as construction, HVAC equipment, repair and replacement. So best-in-class manufacturers, engineering firms and technology providers, recognize the opportunity that low carbon retrofits provide and are eager to expand their business in New York. With the Empire Building Challenge, we are working to accelerate progress on realizing this market opportunity.

Next slide, please.

The Empire Building Challenge is a \$50 million NYSERDA investment and we have four key goals. First, accelerate private sector commitment and investment in carbon reduction, working with and through large real estate portfolios. Second drive innovation to meet the needs of New York's, large commercial and multifamily buildings. Third, make New York a global hub for retrofits last, but certainly not least, enable replication and scale of these successful low carbon solutions across New York, existing large commercial and multifamily buildings. So let's dig into each of these goals a little bit further, please advance to the next slide.

So, there's significant interest from the real estate industry, in the empire building channel. And we have developed an initial cohort of 10 real estate companies, including some of new York's largest owners and providers of affordable housing. Collectively our first cohort controls over 125 million square feet of New York real estate. And through the Empire Building Challenge, they are going to make a public commitment to achieve carbon neutrality in over 25 million square feet. These real estate owners and their design teams will spend this year conducting technical analysis on their buildings, engaging with solution providers and refining capital plan. They will then submit proposals to NYSERDA for up to \$5 million in funding for retrofit projects that demonstrate low carbon solutions that can be widely replicated across the existing building stock. We intend to support three rounds of demonstration project with this initiative.

Next slide, please.

New York has the great advantage of having many of the tallest, largest and most iconic buildings in the world. The technical barriers to decarbonization really do require product development and innovation from broadened supply chain. So with the Empire Building Challenge, NYSERDA will conduct global scan to identify currently commercialized solutions that can address buildings,

challenges, facilitate dialogue between real estate and talk solution providers and launch the entire technology plan to support innovation and product development to address market gaps. This work will leverage the combined capabilities of NYSERDA's market development and innovation team. Next slide, please.

To try and make New York on global hub for retrofits, we intend to leverage these public commitments from New York real estate to achieve carbon neutrality and conduct strategic outreach campaign to recruit solution providers and manufacturers from around the world to invest in business development, new technology risk reduction, and job creation for New York. In this work, we will emphasize the connection between building decarbonization, job creation and local economic development. And we do, we will be working with Empire State Development on this next slide, please.

So the goal here is not just the dozen or so buildings we will touch directly with this initiative, but rather the hundreds of buildings under the control of our real estate partners and ultimately the larger real estate market that these industry leaders will influence. So we intend to support up to three rounds of retrofit demonstration projects between 2021 and 2024. We will work with our initial cohort of partners for the first couple of rounds of demonstrations. And then we will expand our partner group in the third round. This work intends to provide valuable New York specific information on technical and economic performance of low carbon solutions, and in gender peer learning and validation. If proven effective owners will apply success in one building to the, to their broader portfolio. And so solution providers will apply success to future projects hoping to mature the marketplace. So I think that's my presentation. I would be happy to answer any questions and do again, appreciate the invitation to engage in this dialogue with you all.

Richard Kauffman:

Thank you, Michael.

Kate Fish:

This is Kate. Yes. Michael, thank you so much. This is a very exciting project. So given the impact of COVID on people's work patterns, you know, here we all are sitting in our home offices. Do you, how do you see the impact of potentially changed work patterns on you know, how building owners are gonna change the nature of what goes into the high rise buildings in, in the city?

Michael Reed:

Yeah. Thank you Kate, that's a great question. There's a lot of money riding on that answer isn't there. So I think what we're seeing and hearing from the market is that it's a bit of a mixed story. Some real estate companies are continuing to push forward with their long-term capital plans, including repositioning their commercial office buildings, as they had intended to treat COVID. While others are holding staff or retrenching in terms of new investment. So there is a mixed story here. Certainly, on the commercial office side, we have the risk of just delays for approving additional capital investment, and we will see how that plays out. On the multifamily side, it does not appear to show as much of an impact on capital investment cycles. So, it's an emerging story. But Kate, one other thing I would say is, you know, we put out a call to applications from real estate to become a partner in the midst of COVID, and we were unsure just how many real estate owners would respond. And we got over 40 portfolio owners who stepped forward and wanted to be a partner. So that does suggest that many of these market actors are continuing to, want to invest in their buildings and improve those buildings. And then just one other answer I would offer is that as, as office becomes more flexible, I think there is an opportunity for those investments in the office space that allow greater flexibility to also drive more energy efficiency.

As right now many of our office buildings in New York don't do a good enough job correlating occupancy with energy usage.

Kate Fish:

Thank you. That was helpful.

Mark Willis:

If I may just add, cause it may be helpful. Kate, there is no local law here that bill has over 25,000 here in New York city. Over 25,000 square feet are going to have to reduce their carbon significantly 2030 is 2024 and then 2030. So people are very motivated, I think, to find good solutions. It's nice to see that NYSERDA's going to help in that effort and is quite different from multi-family than it is for office buildings in terms of the ability to electrify everything electrification. I see Michael smiling, so he can explain a little bit more about how that might play out. And the third thing is the conversion of buildings being talked about hotels, but DNC office buildings, which may be the hardest ones to, to decarbonize may be going through a transformation to residential. That's what people are talking about without anything happening really so far there, but that would obviously that that conversion would be an opportunity to put in much you know, carbon saving investments. So just adding a few pieces to this, Michael I hope I didn't get ahead of your story here.

Michael Reed:

No, Mark, you're exactly right. And I think one thing that we want to really lift up in this program is the ability for the private sector to lead on this problem. So it's one thing if the state says here's the solution, it's another, if an industry leader is making investments in, as you mentioned, electrification that really catches the eye of all of their competitors and changes the decision-making of the capital planning process.

Jay Koh:

I just wanted to say two things. One is, I think it's a great program as others have said and you know, critical to getting the emissions down. You can always add more components to it. But one thing I would ask you guys to consider is, you know, one of the most difficult things here is just engagement and connections with the underlying owners and then getting them to be involved in retrofit projects of any type. So while they're at it, I would encourage you to consider how they could do an assessment and integrate climate resilience components into this program as well. It would be a shame to, you know, as we've seen in Houston, for example, have lead energy efficient rated buildings flooded over the turnstiles. And so you cannot cause they were built on floodplains, or to go through an expensive retrofit process where you could have integrated you know, elevation of parts of the electrical plant or an analysis of the wind resilience of the the energy efficient windows or other design elements. Particularly given the analysis that suggests 90% of these buildings will be around in 2050. And I would argue the climate will undoubtedly be quite different by 2050 under any set of scenarios that seems reasonable. You can have one and a half or two degrees of warming. Things are gonna look different. So as long as we're going to go through all the brain damage of retrofitting all this and engaging with people and getting to think about investments and thinking about design, we might as well help them think about that for the next 50 years. Not for the last 50 years.

Michael Reed:

Thanks Jay. I completely agree. And that's a very good suggestion. So we'll take that as an action item.

Richard Kauffman:

Other questions from Michael. Michael, thank you very much. I think we're really quite keen on hearing how this develops. So look forward to your next presentation at the board. All right, so now we turn to the consent agenda. There are two items on the consent agenda, a resolution number 1609 would approve amendments in the Authority's Bylaws, resolution number 1610 would approve the periodic contracts report. Counsel's office has compared the list provided by members of entity. And excuse me, start again. Counsel's office has compared the list provided by members, of entities with which each member is associated, which he or she believes may enter into contracts with NYSERDA to the list of contracts in the periodic contracts report. Counsel's office reports that there is one potential conflict, Columbia University, identified by me. I will recuse myself from the vote on this contract. Are there any questions on these items? If not, may I have a motion for resolution number 1609 and resolution number 1610?

Kate Fish:

So Moved.

Richard Kauffman:

Okay. Thank you a second?

Richard Kauffman:

Thank you. When Peter calls your name, please indicate whether you're in favor by saying "aye", opposed by stating "no".

Peter Costello:

Thank you, Mr. Chairman, would you please register your vote?

Richard Kauffman:

My vote is I subject to my recusal on the potential conflict.

Peter Costello:

Okay, understood. Thank you. Vice Chair Quiniones?

Gil Quiniones:

Aye.

Peter Costello:

Shere Abbott.

Shere Abbott:

Aye.

Peter Costello:

Chuck Bell.

Chuck Bell:

Aye.

Peter Costello:

Thank you, Chuck. Ken Daly?

Ken Daly:

Aye.

Peter Costello:

Commissioner Dominguez

Marie Therese Dominguez:

Aye.

Peter Costello:

Kate Fish.

Kate Fish:

Aye.

Peter Costello:

Jay Koh.

Jay Koh:

Aye.

Peter Costello:

Chair Rhodes

John Rhodes:

Aye.

Peter Costello:

Commissioner Seggos

Basil Seggos:

Aye

Peter Costello:

And Mark Willis.

Mark Willis:

Aye.

Peter Costello:

Thank you. All the resolutions set forth in the consent agenda have been approved, Mr. Chairman.

Richard Kauffman:

Thank you. We now turn to other business. This is a bittersweet part. As many of you know, John Rhodes, will be stepping down as Chair of the Public Service Commission. I'd like to take this opportunity to thank John for his work, with the Authority. John, your leadership has helped NYSERDA take significant steps against New York's ambitious energy and climate agenda. And as former CEO and President of NYSERDA, and your time as Chair of the Public Service Commission, you've been an excellent colleague as NYSERDA's regulator. You've challenged NYSERDA to be better, John, we thank you, your colleagues at NYSERDA, for your wisdom, for your thoughtfulness and the duty of care and all that you've done for NYSERDA and for the people of New York. Before I read a resolution of commendation for John, would anyone else like to make any remarks?

Gil Quiniones:

Mr. Chair, it's Gil Quiniones here. I just want to second, everything that you said. John has been a terrific colleague, first as President of NYSERDA, and then as the Chairman of the Public Service Commission and the, this head of the Department of Public Service. He's been there every step of the way giving us guidance, both formal and informal in getting the job done. This inspired a shared vision for, for our state in terms of achieving our goals, made sure we were all aligned and on the same page and that we were all engaged and we, we could have the capacity to renew and to keep going on amidst all the workload that we have, realizing that what we're doing is significant for the people of this state and beyond. Thank you, Chairman back to you.

Basil Seggos:

Mr. Chairman, it's Basil. John, you've been a great friend over the years. I can't believe how quickly the the time has gone by, but you've done great things for the administration. You've been a great ambassador, super smart, visionary. You've delivered on so many levels and we can recognize that you have a very difficult job and when the storms come and there's outages, you know, you've got to balance all your programmatic stuff and your regulatory with the emergency response and, and, and John, you, you you've been just an outstanding on that point and on, on, on everything. We'll miss you, second everything that, that Gil and Richard said, please keep in touch. We've really, really benefited from all your friendship and guidance over the years. Thank you.

Mark Willis:

So I may be the only Board Member here when John took over. No, I guess Richard was there. So I just want to thank John for later and helping facilitate what was pretty dramatic change in the direction. And maybe even in the energy, no pun intended of, of NYSERDA, it was really a pleasure to be part of the Board and to watch that his initiatives and his insight and wisdom here in helping to the day we are today can say about the Public Service Commission and NYSERDA that involved with John. Thank you for all that you did in leading those Cerner and helping me actually think more about the future of what NYSERDA could do. So thank you, Ryan, I guess. Congratulations, and I hope you will stay in touch.

Chuck Bell:

John, I just also want to thank you on behalf of the consumers and rate payers of New York State. You've always had an open door to the organizations that represent consumers and rate payers, and I appreciate, we really appreciate your efforts to keep utility rates affordable and make sure that the broadband is accessible and that we have good competition in our market here. So thank you John for, for your, all your achievements at the PSC.

Ken Daly:

John it's Ken, what I would add is I was actually on the board of NYSEERDA. I joined when you were the Chair. I certainly worked very closely with you when I was with the utility side. I never felt like we were sitting on opposite sides of the table. I always felt like when you needed to, you would hold us to account and give a stern set of warnings. You always listened. You were always I think very thoughtful towards our customers and our business. I have to admit it took me a little time to get used to that long pause you have sometimes, I always wanted to fill it in, but I knew you were being very thoughtful and very deliberate. And it's been a pleasure also to be a colleague now serving together with the interest of New York State consumers, always at the front of everything you did. So John, a sincere congratulations and all the best.

Jay Koh:

John a lot of people have said many of the things that I would have wanted to remark. And I just will add two. One is in terms of the architecture of the energy transition during a very challenging and incredibly important period. I hope you spend some time chocking your wins here. You really helped to set a path and work with and coordinate with a lot of other folks to make that vision a reality. And it's rare that you see architects that can build things at the same time, and I think play many multiple roles in that. So on that side of things, it's a it's a real testament to the leadership and vision that you've had, the kind of substantive outcomes and the trajectory that New York State is on. And I think the example it sets across the United States, particularly in a pretty challenging period, which hopefully is now shifting. The second thing I just wanted to add is at a very personal level, I very much appreciated your openness and thoughtfulness and engagement over the years and really hope that we can maintain that friendship and connection. And I know that that's been a great source of the tone that you've set in the engagement in the Board and its interactions. And so I personally just wanted to give you my best wishes and congratulations.

Shere Abbott:

Yeah, John, I also echo what others have said, but I wanted to add that early on in my tenure with the Board, which was not that much longer than, than, than you came aboard, you actually helped me learn how to be a better Board Member, which was really useful to kind of go through some of these processes together and actually rare, rare among leaders often listened to a lot of the science and listened to some of the, the, the, the world outside of, of the, the norm. So I really appreciate that. And I, I have come to value your judgment and, and your, your wisdom throughout this whole period. And I, you know, and I've, I've watched, I've listened to the way that you've transformed too as a leader throughout this period. And it's really been quite touching to see, so thank you for all your leadership.

Kate Fish:

Could I just echo what others have said and just say, John, you know, the work that I was able to do with you before joining the board of NYSEERDA you know, just in understanding the, the energy markets and and the, the landscape in the state of New York has been inspiring. And we'll miss you.

Marie Therese Dominguez:

John. This is Marie Therese. It's been it's been a short, but a quick run here on my part, but I just want to say a big thank you because the collaboration between the work that you've driven both on implementation of the CLCPA going from that, NYSEERDA all the work on the PSC to emergency operations and where our agencies often do an enormous amount of work together. I just want to say thank you, I wish you all the best.

Richard Kauffman:

Thank you to my colleagues. I'd like to like, to read a proposed resolution:

Whereas the honorable John B Rhodes, Chair of the Public Service Commission has served with distinction as a member of the New York State Energy Research and Development Authority for more than three years. And whereas Chair Rhodes, leadership and insight were instrumental in coordinating and harmonizing the clean energy related work and mission of the Department and the Authority. And whereas, Chair Rhodes' tenure was marked by close collaboration and the continued success of the Authority's mission and strategic direction, including the Authority's programs to advance for reforming the energy vision strategy, the administration of nation leading clean energy programs, such as the New York State Clean Energy Fund and the Clean Energy Standard, and other efforts to maximize your environmental energy and economic benefits to the people of New York State. And whereas the members of the Authority wish to recognize, Chair Rhodes for his service, dedication and diligence as a member of the Authority and to memorialize his vision, dedication and commitment of the Authority in the advancement of its mission. Now, therefore be it resolved the members of the New York State Energy Research and Development Authority assembled on this third day of February, 2021, commend the honorable John B Rhodes and express their deepest appreciation and respect for his contribution to the Authority and the betterment of the State of New York members wish him well in his future endeavors.

So John really so much, so much more that could be said. So I'd like to have a motion for resolution number 1611 commending John B Rhodes.

Jay Koh:

So Moved.

Basil Seggos:

Second.

Richard Kauffman:

I can see people are much quicker on this than they are in other business. Okay. Peter will you please do the roll call?

Peter Costello:

Yes. Mr. Chairman, I would like your vote please.

Richard Kauffman:

Aye.

Peter Costello:

Vice-Chair Quiniones.

Gil Quiniones:

Aye.

Peter Costello:

Shere Abbott.

Shere Abbott:

Aye.

Peter Costello:

Chuck Bell.

Chuck Bell:

Aye.

Peter Costello:

Ken Daly.

Ken Daly:

Aye with an exclamation point.

Peter Costello:

Thank you. Commissioner Dominguez.

Marie Therese Dominguez:

An enthusiastic aye.

Peter Costello:

Great. Kate Fish.

Kate Fish:

Aye.

Peter Costello:

Jay Koh.

Jay Koh:

Aye.

Peter Costello:

Commissioner Seggos.

Basil Seggos:

Big Aye.

Peter Costello:

And Mark Willis.

Mark Willis:

Aye. And to add something, a thanks from all of us John.

Peter Costello:

Thank you all. I'm pleased to report Mr. Chairman, that resolution number 1611 commending the honorable John B Rhodes has passed by unanimous vote. And on behalf of the staff of NYSERDA, I

would certainly like to thank John for his leadership over the years, and really the inspiration that you provide us every day to always strive to be our best and most thoughtful selves. So thank you on behalf of all the staff.

Richard Kauffman:

Thank you, Peter.

John Rhodes:

So do I have a turn here?

Richard Kauffman:

Well, you, you, you did. I was trying to give a little pause for you to step in, so go ahead.

John Rhodes:

Okay. Thank you. So thank you very much. These the resolution and the remarks the comments are, are remarkable. Ally, I am, you know, personal and you know, and it also addressing the substance of the work in a very you know, quite, quite I don't know, touching and effecting way. It's hard to believe that between the two agencies I've now been at it for seven years, which is a biblical term. You may, you may know. So, so it feels, it feels right to call this a chapter and my term is up. So, so, so I am moving on now because of that. It's been a privilege to work for this Governor with the leadership and the bow ways that he's created. But also the team that has come together to work for the Governor on the Governor's clean energy energy and climate agenda. That's, that's pretty remarkable. I am really proud of the record that we have over the seven years. But none of it was possible without colleagues. I know you're giving me a lot of credit for it, but it's a very, very shared credit. And I hope you, you, you all take your own you know, pride in it as well. Because in a may year, in a really fundamental part of part of the success story here and I don't think it's just a great track record because that sounds retrospective. I think I know the momentum that we collectively have now is, is just as remarkable. I, and I know great things are are still to come and then the offing. So thank you for you know, giving me the chance to have such a rich chapter. It feels very, very good. Thank you very much.

Richard Kauffman:

John. Thank you. So I hope you're going to sticking with the biblical term. We're hoping that there'll be some sabbatical of some, some like to restore yourself.

John Rhodes:

Who knows, but yes, we'll work on the next chapter.

Richard Kauffman:

All right. So we have one other item under other business. At the end of February, each of the members will receive the annual board member evaluations required by the Public Authorities Law. This will be emailed to you using an online tool Qualtrics, as you know, this is an important opportunity for members to provide feedback on the workings of the board and its committees. And I encourage all of you to take the time to respond. We ask that you complete the confidential form and return it by the first week of March, 2021. Responses will be compiled in the annual report. And any recommendations will be reviewed by the Governance Committee and later the full board. Are there any other matters the members would like to discuss? There being none, may I have a motion to adjourn the meeting?

Chuck Bell:

So Moved.

John Rhodes:

Second.

Richard Kauffman:

All in favor?

{Collectively}:

Aye.

Richard Kauffman:

Any opposed? The meeting is adjourned. Thank you all very much.

{various members}:

Thanks everyone.